

# **TOWN OF DUXBURY, MASSACHUSETTS**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**



**For the fiscal year ended  
June 30, 2013**

On the cover: Duxbury Police Station  
Photo by Maryellen Vidito



Photo by Stephen Schroeder

*The Town of  
Duxbury, Massachusetts*



**Comprehensive  
Annual Financial Report**

**For the Fiscal Year  
July 1, 2012 through June 30, 2013**

Prepared by the Finance Department

**Town of Duxbury, Massachusetts**  
**Comprehensive Annual Financial Report**  
*For the Fiscal Year Ended June 30, 2013*

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# ***Introductory Section***



Photo by Janice Hanrahan

# ***Introductory Section***

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Finance Director  
John Madden

# *Town of Duxbury, Massachusetts*

## ACCOUNTING DEPARTMENT

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December 16, 2013

Letter of Transmittal

To the Honorable Board of Selectmen and Citizens of the Town of Duxbury:

Subsequent to the close of each fiscal year, state law requires the Town of Duxbury to publish a complete set of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) that are audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the Town of Duxbury, Massachusetts, for the fiscal year ending June 30, 2013 for your review.

The report is designed to be used by the elected and appointed officials of the Town and others who are concerned with its management and progress such as bond analysts, banking institutions and credit raters. Just as important, the design and format of this report is aimed at providing the residents and taxpayers of Duxbury a more easily readable and, therefore, a more easily understandable financial report.

This report consists of management's representations concerning the finances of the Town of Duxbury. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects. In order to provide a reasonable basis for making these financial representations, management continues to review and improve its established comprehensive internal controls. The framework for these controls is designed to protect, to the extent possible, the government's assets from loss, theft or misuse. The cost of internal controls should not outweigh their benefits. As a result, the Town of Duxbury's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements for the fiscal year ended June 30, 2013, are fairly presented in conformity with GAAP.

The Town of Duxbury's financial statements have been audited by Powers & Sullivan, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Duxbury for the fiscal year ended June 30, 2013, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion on the Town of Duxbury's financial statements for the fiscal year ended June 30, 2013, and that they are, in fact, fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Town of Duxbury was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Town of Duxbury's separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Town of Duxbury's MD&A can be found immediately following the report of the independent auditors.

### **Profile of the Town**

Duxbury, incorporated on June 17, 1637, was the home of Captain Myles Standish and John Alden. The Town was originally established as a community with plentiful lands for harvesting crops and other natural resources as well as providing a livelihood for many in the shellfish and fishing industries. Because of its proximity to the ocean and its natural harbor, the harbor became one of the busiest in the world during the "Golden Age of Shipbuilding" (approximately 1800-1874) and the Town enjoyed a period of great prosperity. During the late 1800's other industries began to develop including shoe manufacturing, cranberry harvesting, charcoal production and the production of textiles. The first department store in America, "Ford's Store" was established in 1826 and the Franco-American cable was pulled ashore at Duxbury Beach on July 23, 1869, uniting Europe and the United States in the first trans-Atlantic telegraph connection. Duxbury is also home to the famous Island Creek oyster. Known for their quality and distinctive flavor, these oysters are in great demand and are shipped to points throughout the United States as well as Bermuda, the Caribbean, and Hong Kong. Duxbury is a town of quiet dignity and stability, with beautiful beaches, tides and marshes combined with Cape Cod homes and Sea Captain's Colonials.

The Town is governed by an open Town Meeting form of government and is located in Southeastern Massachusetts in Plymouth County approximately 33 miles from Boston. Duxbury is accessible by Route 3, a major highway, as well as secondary roads including Routes 3A and 114. The Town is bordered by the Towns of Pembroke on the west, Marshfield on the north, Kingston on the south and the Atlantic Ocean on the east and southeast. Duxbury occupies an area of approximately 23.76 square miles and its population is 15,582 based on the most recent town census.

The Town provides general governmental services for the territory within its boundaries, including police and fire protection, public education in grades kindergarten through twelve, water, street maintenance, parks, beaches and other recreational facilities.

The Greater Attleboro Taunton Regional Transit Authority provides bus coverage throughout Duxbury to surrounding communities. The Duxbury Housing Authority provides public housing for eligible low income families, the elderly and the handicapped.

Local legislative decisions are made by an open Town Meeting. Subject to the legislative decisions made by the Town Meeting, the affairs for the Town are generally administered by a board of three selectmen who are supported by the Town Manager.

Local school affairs are administered by a school committee of five persons, elected for staggered three-year terms on an at large basis. The Water and Sewer Departments are managed by the same three-person Board of Selectmen. Local taxes are assessed by a board of three assessors, elected for staggered three-year terms.

### *Budgetary Controls*

The Finance Director is responsible for preparing the budget and reviewing it with the various departments, boards and committees. This budget is then presented to the Town Manager who, in turn, after review, presents the budget to the Board of Selectmen. The Selectmen review all requests and town-wide issues and present a budget to Town Meeting for approval. A nine member Finance Committee made up of citizen volunteers appointed by the Town Moderator reviews the budget and makes recommendations to Town Meeting. A separate Fiscal Advisory Committee also made up of nine citizen volunteers appointed by the Town Moderator reviews capital expenditure plans.

The level of budgetary control is established by Town Meeting and this approval defines the level at which expenditures may not exceed appropriations. This level is typically at the individual department salary and expense level. The Town Accountant is responsible for ensuring all payroll and invoices are within the budgetary control level before authorizing payment. Additional appropriations may be approved at subsequent Town Meetings. The Finance Committee, upon request of the Town Manager, may approve during the year a transfer from a reserve fund established at Town Meeting. These controls ensure compliance with the budget approved by Town Meeting.

### **Factors Affecting Economic Condition**

#### *Local Economy*

The Town of Duxbury continues to reflect a strong economic condition. The per capita income is significantly higher than state averages, and the unemployment rate has always been extremely low. Duxbury has a primarily residential tax base which has grown through rapidly rising home values.

In 2013 the average price of a home in Duxbury was \$560,600 (based upon 2012 sales data), an increase of slightly less than 0.5% from the previous year. Meager, but an increase nonetheless. While the current economic environment remains challenging, home sales in Duxbury remain strong. The community has preserved large amounts of open space and has a pristine coastline, as well as having an excellent reputation for academics, athletics and many cultural and natural amenities. Easy access to the commuter rail in neighboring Kingston facilitates the commute to Boston. All of this has made Duxbury a highly desirable location.

The Town continues to be faced with financial challenges. State Local Aid has risen, on average, less than 2.5% over the last three years. State & County Assessments, over that same period have risen, on average, 18.9%. The Town took advantage of changes in the law regarding Health Insurance Plan Design and continues to reap the benefits of these changes. This will help to control rising health care costs, but still, these and other fixed costs continue to add to the economic pressures. Local receipts have remained flat over the last three years. Additionally, due to the forces of nature, the Town will have to concern itself with the potential substantial drop in License and Permit revenue. During the summer of 2013 the endangered species Piping Plover experienced a significant increase in nesting. This caused the closing of the beach for approximately one month. Time will tell whether patrons of the beach will return to this uncertainty in the future. Proposition 2½ caps the Town's ability to raise taxes and excess levy capacity is limited. The Town last approved a Proposition 2½ operating override (in the amount of \$1,000,000) in 1989 and it is unclear whether this will be a viable solution in the near future.

Fortunately, the Town has long enjoyed a cooperative approach to problem solving among its many boards, departments, unions and citizens. This cooperation has led to solid fund balances. Constant oversight is given to the Health Claims Trust, resulting in an equity position that more than covers the 'incurred but not reported' claims accrual at the end of fiscal 2013. A town-wide approach to problem solving in this area has resulted in a five year average of nearly level funding in the health insurance budget.

During the 2013 budget cycle, departments continued to work together to create a budget that did not rely heavily on long-term reserves. The Town further addressed revenue needs with increased fees wherever practical. The community, at the March 2013 ATM, voted to reduce the 3% Community Preservation surcharge to 1%. This vote was not one of displeasure towards the CPA but rather to offset projected increases in the debt budget and mitigate the liability on the taxpayer. The community continues to support the efforts of the CPC and voted to fund numerous community housing initiatives as well as preserve open space and historical properties at the March 2013 Town Meeting.

### *Long-Term Financial Planning*

The Town's long-term financial planning is focused on addressing the numerous needs of the community, particularly in view of the revenue constraints of Proposition 2½. Discussions are ongoing concerning issues regarding how to provide the community with the level of services it has come to expect under difficult financial conditions. Town Departments, the School Committee, Finance Committee, and the Fiscal Advisory Committee have all provided input.

The Town continues to review and modify its sustainable long-term financial plan. Management recognizes that in order to continue to provide services to the community, while at the same time maintaining its existing infrastructure, a formalized plan is necessary. Issues being discussed include long range capital planning, appropriate reserve levels and new revenue sources. The Town has identified debt usage and increasing reserves such as Stabilization as areas requiring greater attention. During fiscal year 2013, the Town continued the construction and/or replacement of several large facilities including a Police Station, Fire Station, Crematory and High School.

During fiscal year 2013, the Town dedicated over \$1,460,000 in Free Cash and other one-time revenues to fund the portion of the capital plan related to building and equipment replacement and repair. Going forward, it is the goal of the Town to provide at least one million dollars in "cash" funding on an annual basis. Additionally, \$400,000 was voted to increase reserves such as the Stabilization Fund and Pension Reserve Fund.

### *Relevant Financial Policies*

The Town uses reserves to balance the current budget only as necessary with the goal of replenishing reserves through conservative budgeting.

### *Major Initiatives*

The Town currently has authorized and unissued debt totaling \$61.2 million. This debt is related to the construction of a junior/senior high school and sports field house, repairs to the Powder Point Bridge and water mains. The Town, through its long range planning development and strong financial position, saw its bond rating reach AAA status. We are all very proud of this achievement. It was through these efforts that the Town secured such a lofty bond rating.

### **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Duxbury for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2012. This was the ninth year that the Town submitted a CAFR to the GFOA. Based on information available on the GFOA website, eighteen municipalities in Massachusetts received this distinction. In order to receive this prestigious award, a government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Preparing a document of this magnitude requires a significant investment of time and resources. I am grateful to the Finance Department for achieving and maintaining this prestigious honor. This document reflects well upon the professionalism of our organization and provides a wealth of information to the community.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "John Madden", with a long horizontal flourish extending to the right.

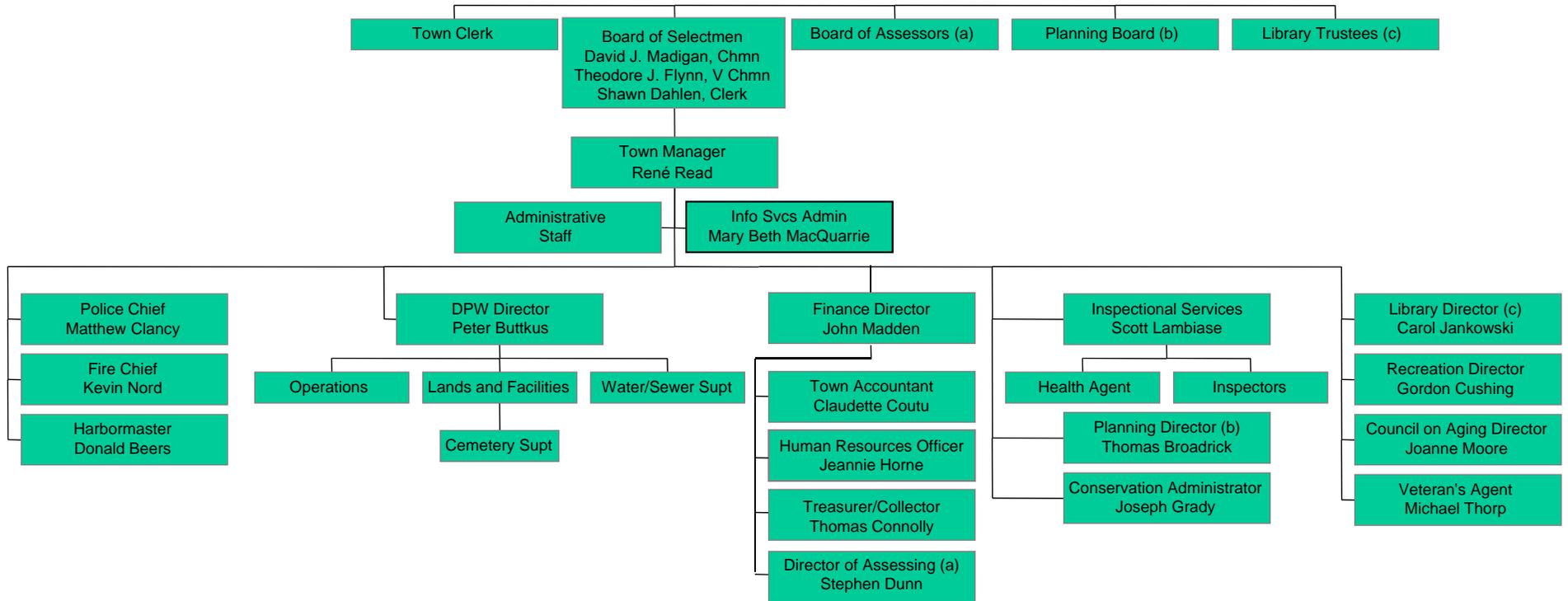
John Madden  
Finance Director

# Town of Duxbury, Massachusetts

## Principal Executive Officers

<u>Title</u>	<u>Name</u>	<u>Manner of Selection</u>	<u>Length of Term</u>	<u>Expiration of Term</u>
Chairman-Board of Selectmen	David J. Madigan	Elected	3 Years	2015
Vice Chairman-Board of Selectmen	Theodore J. Flynn	Elected	3 Years	2014
Selectman	Shawn Dahlen	Elected	3 Years	2016
Town Manager	René Read	Appointed	Indefinite	N/A
Finance Director	John M. Madden	Appointed	Indefinite	N/A
Town Accountant	Claudette Coutu	Appointed	Indefinite	N/A
Treasurer/Collector	Thomas Connolly	Appointed	Indefinite	N/A
Town Clerk	Nancy M. Oates	Elected	3 Years	2016
Assessor-Chairman	June E. Albritton, MAA	Elected	3 Years	2014
Assessor-Vice Chairman	Linda M. Collari	Elected	3 Years	2015
Assessor	James G. MacNab	Elected	3 Years	2016
Superintendent of Schools	Dr. Benedict Tantillo, III	Appointed	Indefinite	N/A
School Business Manager	Susan Nauman	Appointed	Indefinite	N/A
Director of Public Works	Peter Buttkus	Appointed	Indefinite	N/A
Town Moderator	Friend Weiler	Elected	1 Year	2014
Town Counsel	Arthur P. Kreiger	Appointed	Indefinite	N/A

# Town of Duxbury, Massachusetts Organizational Chart



(a), (b) and (c) positions report also to elected boards



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Town of Duxbury  
Massachusetts**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2012**

Executive Director/CEO

# ***Financial Section***



Photo by Harriet Nichols

# ***Financial Section***

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### **Independent Auditor's Report**

To the Honorable Board of Selectmen  
Town of Duxbury, Massachusetts

### **Report of the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Duxbury, Massachusetts, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Duxbury, Massachusetts, as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Duxbury, Massachusetts' basic financial statements. The introductory section, combining statements, individual fund statements and statistical section, as listed in the table of contents, are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements, as listed in the table of contents, are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United State of America. In our opinion, the combining and individual fund statements are fairly stated, in all material respects, in relation to the financial statements taken as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2013 on our consideration of the Town of Duxbury, Massachusetts' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Duxbury, Massachusetts' internal control over financial reporting and compliance.

*Powers & Sullivan LLC*

December 16, 2013

## Management's Discussion and Analysis

As management of the Town of Duxbury, we offer readers of these financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2013. The Town complies with financial reporting requirements issued by the Governmental Accounting Standards Board (GASB). Management's discussion and analysis are part of these requirements.

### **Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to the Town of Duxbury's basic financial statements. These basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of finances, in a manner similar to private-sector business.

The *statement of net position* presents information on all assets and liabilities, with the difference between them reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities include general government, public safety, education, education construction, public works, human services, culture and recreation, community preservation and interest. The business-type activities include the activities of the municipal water department and the Percy Walker pool.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund statements focus on *near-term inflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Town of Duxbury adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided as required supplementary information for the general fund to demonstrate compliance with this budget.

**Proprietary funds.** The Town maintains two types of proprietary funds.

*Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses enterprise funds to account for its municipal water department and activity of the Percy Walker pool.

*Internal service funds* are an accounting device used to accumulate and allocate costs internally among various functions. The Town uses internal service funds to account for health insurance activities. Because these services primarily benefit governmental rather than business-type activities, they have been included within *governmental activities* in the government-wide financial statements.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**Notes to the basic financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

## **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Duxbury's government-wide assets exceeded liabilities by \$113.6 million at the end of fiscal year 2013. The Town's total net position increased by \$13.4 million during fiscal year 2013, this is an indication that the Town's overall financial position improved from the prior fiscal year.

Comparative analysis of the assets, liabilities, net position, revenues, expense and transfers of the governmental and business-type activities are discussed herein.

### **Governmental Activities**

The results of operations of the governmental activities are discussed in the following paragraphs and tables. Net position of \$92.6 million (93%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the investment in its capital assets is reported net of its related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the governmental activities' net position, \$3.8 million (4%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position*, \$3.6 million (3%), may be used to meet the government's ongoing obligations to citizens and creditors.

The governmental activities net position increased by \$13.1 million during the current fiscal year. Increases in net position were partially derived from community preservation taxes of \$1.3 million and state matching funds of \$832,000, which are used to finance capital expenditures; better than anticipated results in the operation of the Town's general fund; and \$17.6 million in school construction capital grants received from the state's school



	Fiscal Year Ended June 30, 2013	Fiscal Year Ended June 30, 2012
	<u>2013</u>	<u>2012</u>
<b>Program Revenues:</b>		
Charges for services.....	\$ 13,790,750	\$ 13,465,006
Operating grants and contributions.....	13,969,717	13,958,828
Capital grants and contributions.....	19,383,562	2,371,488
<b>General Revenues:</b>		
Real estate and personal property taxes.....	45,330,505	43,943,583
Tax liens.....	74,317	20,397
Motor vehicle and other excise taxes.....	2,433,608	2,227,654
Community preservation taxes.....	1,322,525	1,285,151
Penalties and interest on taxes.....	208,925	239,386
Payments in lieu of taxes.....	12,956	10,950
Nonrestricted grants and contributions.....	982,014	904,812
Unrestricted investment income.....	808,801	529,788
<b>Total revenues.....</b>	<b><u>98,317,680</u></b>	<b><u>78,957,043</u></b>
<b>Expenses:</b>		
General government.....	5,085,169	5,016,459
Public safety.....	11,307,480	10,964,082
Education.....	56,017,363	53,522,811
Public works.....	6,068,943	5,836,060
Human services.....	1,220,090	1,054,046
Culture and recreation.....	2,752,739	2,642,103
Community preservation.....	255,580	376,498
Interest.....	2,351,280	489,622
<b>Total expenses.....</b>	<b><u>85,058,644</u></b>	<b><u>79,901,681</u></b>
<b>Excess (deficiency) before transfers.....</b>	<b>13,259,036</b>	<b>(944,638)</b>
<b>Transfers.....</b>	<b><u>(138,378)</u></b>	<b><u>(109,696)</u></b>
<b>Change in net position.....</b>	<b>13,120,658</b>	<b>(1,054,334)</b>
<b>Beginning net position.....</b>	<b><u>86,845,445</u></b>	<b><u>87,899,779</u></b>
<b>Ending net position.....</b>	<b><u><u>\$ 99,966,103</u></u></b>	<b><u><u>\$ 86,845,445</u></u></b>

### ***Business-type Activities***

The results of operations for the business-type activities are discussed in the following paragraphs and tables.

For the Town's water business-type activities, assets exceeded liabilities by \$13.4 million at the close of fiscal year 2013. Of this amount \$10.6 million (79%) is net invested in capital assets, net of related debt and \$2.8 million (21%) is unrestricted and may be used to meet the water enterprise's ongoing obligations.

There was an increase of \$148,000 in net position related to the Water Department's operations during the fiscal year. Revenue remained consistent with prior year. Increases in expenses included the recognition of an

additional \$100,000 for the other postemployment benefit obligation liability and an increase in depreciation expense of \$109,000 due to the increase in depreciable capital assets in fiscal year 2012.

Net position related to the Percy Walker pool increased \$116,000 during the fiscal year, which is due to an increase in the user fees and the Town raising a prior deficit of \$34,000 through the tax levy.

	Balance at June 30, 2013	Balance at June 30, 2012
	<u>                    </u>	<u>                    </u>
<b>Assets:</b>		
Current assets.....	\$ 8,104,906	\$ 3,532,295
Capital assets, non depreciable.....	4,423,641	3,713,393
Capital assets, net of accumulated depreciation.....	<u>12,593,307</u>	<u>13,429,448</u>
<b>Total assets.....</b>	<b><u>25,121,854</u></b>	<b><u>20,675,136</u></b>
<b>Liabilities:</b>		
Current liabilities (excluding debt).....	144,267	134,885
Noncurrent liabilities (excluding debt).....	519,000	397,000
Current debt.....	1,119,674	771,908
Noncurrent debt.....	<u>5,237,831</u>	<u>5,957,505</u>
<b>Total liabilities.....</b>	<b><u>7,020,772</u></b>	<b><u>7,261,298</u></b>
<b>Net Position:</b>		
Net investment in capital assets.....	10,972,261	10,672,429
Unrestricted.....	<u>2,705,180</u>	<u>2,741,409</u>
<b>Total net position.....</b>	<b><u>\$ 13,677,441</u></b>	<b><u>\$ 13,413,838</u></b>
	Fiscal Year Ended June 30, 2013	Fiscal Year Ended June 30, 2012
	<u>                    </u>	<u>                    </u>
<b>Program revenues:</b>		
Charges for services.....	<u>\$ 3,381,782</u>	<u>\$ 3,321,723</u>
<b>Expenses:</b>		
Water.....	2,753,314	2,628,618
Percy Walker Pool.....	<u>503,243</u>	<u>459,274</u>
<b>Total expenses.....</b>	<b><u>3,256,557</u></b>	<b><u>3,087,892</u></b>
<b>Excess before transfers.....</b>	<b>125,225</b>	<b>233,831</b>
<b>Transfers.....</b>	<b><u>138,378</u></b>	<b><u>109,696</u></b>
<b>Change in net position.....</b>	<b>263,603</b>	<b>343,527</b>
<b>Beginning net position.....</b>	<b><u>13,413,838</u></b>	<b><u>13,070,311</u></b>
<b>Ending net position.....</b>	<b><u>\$ 13,677,441</u></b>	<b><u>\$ 13,413,838</u></b>

## ***Financial Analysis of the Government's Funds***

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, governmental funds reported combined ending fund balances of \$67.2 million, an increase of \$42.9 million from the prior year.

The general fund is the chief operating fund. At the end of the current fiscal year, unassigned fund balance of the general fund totaled \$6.5 million, while total fund balance is \$17.8 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 10% of total general fund expenditures, while total fund balance represents 27% of that same amount.

The fund balance of the general fund increased by \$6.9 million during fiscal year 2013. This was mainly a combination of positive budgetary results of \$5.9 million, and an increase in the Stabilization funds which are reported as part of the general fund of \$837,000.

The Community Preservation Act fund had a fund balance at June 30, 2013 of \$3.7 million. These funds are attributable to the Town's acceptance of the Community Preservation Act, which allows the Town to impose a surcharge on property taxes and to receive matching state funds for specified uses related to the acquisition, creation, preservation and support of open space, historic resources, land for recreational use and community housing. The Community Preservation Act's fund balance increased \$1.6 million in fiscal year 2013. This was the net result of \$1.8 million in taxes, state matching funds, and interest collected offset by \$113,000 in expenditures on community preservation projects.

The co-located school fund was established after the Town passed, by special election, an override of Proposition 2½ allowing the construction of a new middle and high school totaling \$128 million. The Town has been approved to receive assistance from the Massachusetts School Building Authority (MSBA) for 45.13% of eligible construction costs. The co-located school's fund balance increased by \$38.3 million in fiscal year 2013. This was the result of the Town issuing debt totaling \$65.9 million for their portion of the construction costs, receiving \$17.6 million in reimbursements from the MSBA offset with construction costs totaling \$45.3 million.

### ***General Fund Budgetary Highlights***

The \$2.1 million increase from the original budget to the final amended budget resulted from a Spring Special Town Meeting vote to use free cash of \$2.1 million to supplement various governmental departments and funds. The largest uses of free cash includes \$300,000 to fund the Stabilization Trust Fund, \$200,000 to fund the OPEB Trust Fund, \$180,000 to fund the Unemployment Fund, \$250,000 to fund the Powder Point Bridge Rehabilitation Project Fund, \$260,000 to fund a legal settlement, \$186,000 to supplement the lands and natural resources other expense budget and \$114,000 to supplement the police personal services budget.

General Fund revenues came in approximately \$536,000 more than budgeted. The largest area of the surplus was in departmental and other revenues which made up \$539,000 of the total. This was mainly due to crematory revenue coming in \$162,000 higher than budgeted, as well as inspectional service permits coming in \$148,000 higher than budgeted.

General fund expenditures were approximately \$1.4 million less than budgeted. Key components of this surplus include the \$532,000 in employee benefits which was due primarily to lower than anticipated claims, \$311,000 in debt service interest, as well as \$260,000 within the public works sub-departments and \$135,000 within the general government sub-departments.

**Capital Asset and Debt Administration**

In conjunction with the operating budget, the Town annually prepares a capital budget for the upcoming fiscal year and a five-year Capital Improvement Plan (CIP) that is used as a guide for future capital expenditures. The Town’s major governmental capital asset activity in fiscal year 2013 includes additions in construction in progress of \$45.3 million for school buildings and \$4.9 million for the police station; \$752,000 for vehicles; and \$547,000 for infrastructure.

**Capital Assets**

	<u>Cost of Capital Assets at end of year</u>	<u>Accumulated Depreciation at end of year</u>	<u>Capital Assets, net</u>
<b>Governmental activities</b>			
<i>Function:</i>			
General government.....	\$ 23,647,125	\$ (553,984)	\$ 23,093,141
Public safety.....	17,443,929	(4,793,936)	12,649,993
Education.....	109,102,865	(23,551,326)	85,551,539
Public works.....	22,654,322	(10,837,293)	11,817,029
Culture and recreation.....	11,265,764	(4,873,828)	6,391,936
Community preservation.....	12,900,056	(426,127)	12,473,929
Human services.....	<u>1,823</u>	<u>(547)</u>	<u>1,276</u>
Total governmental.....	<u>\$ 197,015,884</u>	<u>\$ (45,037,041)</u>	<u>\$ 151,978,843</u>
<b>Business-type activities</b>			
Water.....	\$ 25,773,279	\$ (10,987,787)	\$ 14,785,492
Percy Walker Pool.....	<u>2,380,219</u>	<u>(148,763)</u>	<u>2,231,456</u>
Total enterprise.....	<u>\$ 28,153,498</u>	<u>\$ (11,136,550)</u>	<u>\$ 17,016,948</u>

**Debt**

The Town of Duxbury’s governmental funds had total bonded debt outstanding of \$92.8 million at the end of the current fiscal year. Of this amount, \$78.3 million is related to school construction and equipment, \$2.6 million is related to the crematory, \$6.3 million is related to the police station construction, \$3.7 million is related to the fire station renovations, \$565,000 is related to the senior center project, \$786,000 is related to sewer projects and \$605,000 is related to renovation of the library. The remaining \$50,000 relates to other capital related projects.

The water enterprise fund has \$4.1 million in water debt that is fully supported by the rates and does not rely on a general fund subsidy. The Percy Walker pool enterprise fund has \$1.9 million in bonded debt outstanding at the end of the current fiscal year, related to Pool facility upgrades.

For further discussion please refer to Note 4 for major capital activity and Notes 6 and 7 for debt activity.

### ***Requests for Information***

This financial report is designed to provide a general overview of the Town of Duxbury's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Town Hall, 878 Tremont Street, Duxbury, Massachusetts 02332.

# Basic Financial Statements

**STATEMENT OF NET POSITION**

JUNE 30, 2013

	<b>Primary Government</b>		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
<b>CURRENT:</b>			
Cash and cash equivalents.....	\$ 63,052,312	\$ 2,436,265	\$ 65,488,577
Investments.....	16,315,804	-	16,315,804
Receivables, net of allowance for uncollectibles:			
Real estate and personal property taxes.....	1,257,491	-	1,257,491
Tax liens.....	44,935	-	44,935
Motor vehicle and other excise taxes.....	289,367	-	289,367
User fees.....	18,687	1,245,000	1,263,687
Departmental and other.....	687,678	-	687,678
Special assessments.....	63,902	-	63,902
Intergovernmental.....	7,035,097	-	7,035,097
Tax foreclosures.....	686,466	-	686,466
<b>Total current assets.....</b>	<b>89,451,739</b>	<b>3,681,265</b>	<b>93,133,004</b>
<b>NONCURRENT:</b>			
Receivables, net of allowance for uncollectibles:			
Special assessments.....	414,601	-	414,601
Real estate tax deferrals.....	317,281	-	317,281
Capital assets:			
Nondepreciable.....	93,815,916	4,423,641	98,239,557
Depreciable.....	58,162,927	12,593,307	70,756,234
<b>Total noncurrent assets.....</b>	<b>152,710,725</b>	<b>17,016,948</b>	<b>169,727,673</b>
<b>TOTAL ASSETS.....</b>	<b>242,162,464</b>	<b>20,698,213</b>	<b>262,860,677</b>
<b>LIABILITIES</b>			
<b>CURRENT:</b>			
Warrants payable.....	8,181,342	45,193	8,226,535
Accrued payroll.....	2,570,827	11,940	2,582,767
Health claims payable.....	834,708	-	834,708
Accrued interest.....	2,024,623	46,079	2,070,702
Other liabilities.....	626,943	3,055	629,998
Compensated absences.....	1,117,000	38,000	1,155,000
Notes payable.....	500,000	400,000	900,000
Bonds payable.....	5,128,028	719,674	5,847,702
<b>Total current liabilities.....</b>	<b>20,983,471</b>	<b>1,263,941</b>	<b>22,247,412</b>
<b>NONCURRENT:</b>			
Compensated absences.....	313,000	7,000	320,000
Other postemployment benefits.....	26,176,000	512,000	26,688,000
Bonds payable.....	94,723,890	5,237,831	99,961,721
<b>Total noncurrent liabilities.....</b>	<b>121,212,890</b>	<b>5,756,831</b>	<b>126,969,721</b>
<b>TOTAL LIABILITIES.....</b>	<b>142,196,361</b>	<b>7,020,772</b>	<b>149,217,133</b>
<b>NET POSITION</b>			
Net investment in capital assets.....	92,575,525	10,972,261	103,547,786
Restricted for:			
Perpetual care and other permanent funds:			
Expendable.....	1,015,151	-	1,015,151
Nonexpendable.....	2,077,070	-	2,077,070
Gifts and grants.....	716,904	-	716,904
Unrestricted.....	3,581,453	2,705,180	6,286,633
<b>TOTAL NET POSITION.....</b>	<b>\$ 99,966,103</b>	<b>\$ 13,677,441</b>	<b>\$ 113,643,544</b>

See notes to basic financial statements.

**STATEMENT OF ACTIVITIES**

FISCAL YEAR ENDED JUNE 30, 2013

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary Government:</b>					
<i>Governmental Activities:</i>					
General government.....	\$ 5,085,169	\$ 572,910	\$ 77,672	\$ -	\$ (4,434,587)
Public safety.....	11,307,480	2,418,818	316,615	-	(8,572,047)
Education.....	56,017,363	6,548,587	13,101,785	-	(36,366,991)
Education construction.....	-	-	-	17,637,922	17,637,922
Public works.....	6,068,943	1,928,235	111,360	913,966	(3,115,382)
Human services.....	1,220,090	178,803	215,513	-	(825,774)
Culture and recreation.....	2,752,739	2,143,397	110,002	-	(499,340)
Community preservation.....	255,580	-	-	831,674	576,094
Interest.....	2,351,280	-	36,770	-	(2,314,510)
<b>Total Governmental Activities.....</b>	<b>85,058,644</b>	<b>13,790,750</b>	<b>13,969,717</b>	<b>19,383,562</b>	<b>(37,914,615)</b>
<i>Business-Type Activities:</i>					
Water.....	2,753,314	3,009,145	-	-	255,831
Percy Walker pool.....	503,243	372,637	-	-	(130,606)
<b>Total Business-Type Activities.....</b>	<b>3,256,557</b>	<b>3,381,782</b>	<b>-</b>	<b>-</b>	<b>125,225</b>
<b>Total Primary Government.....</b>	<b>\$ 88,315,201</b>	<b>\$ 17,172,532</b>	<b>\$ 13,969,717</b>	<b>\$ 19,383,562</b>	<b>\$ (37,789,390)</b>

See notes to basic financial statements.

(Continued)

**STATEMENT OF ACTIVITIES**

FISCAL YEAR ENDED JUNE 30, 2013

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Changes in net position:</b>			
Net (expense) revenue from previous page.....	\$ <b>(37,914,615)</b>	\$ <b>125,225</b>	\$ <b>(37,789,390)</b>
<i>General revenues:</i>			
Real estate and personal property taxes, net of tax refunds payable.....	45,330,505	-	45,330,505
Tax liens.....	74,317	-	74,317
Motor vehicle and other excise taxes.....	2,433,608	-	2,433,608
Community preservation taxes.....	1,322,525	-	1,322,525
Penalties and interest on taxes.....	208,925	-	208,925
Payments in lieu of taxes.....	12,956	-	12,956
Grants and contributions not restricted to specific programs.....	982,014	-	982,014
Unrestricted investment income.....	808,801	-	808,801
<i>Transfers, net</i> .....	<u>(138,378)</u>	<u>138,378</u>	<u>-</u>
Total general revenues and transfers.....	<u>51,035,273</u>	<u>138,378</u>	<u>51,173,651</u>
Change in net position.....	13,120,658	263,603	13,384,261
<i>Net Position:</i>			
Beginning of year.....	<u>86,845,445</u>	<u>13,413,838</u>	<u>100,259,283</u>
End of year.....	\$ <u><u>99,966,103</u></u>	\$ <u><u>13,677,441</u></u>	\$ <u><u>113,643,544</u></u>

See notes to basic financial statements.

(Concluded)

**GOVERNMENTAL FUNDS  
BALANCE SHEET**

JUNE 30, 2013

<b>ASSETS</b>	General	Community Preservation Act	Co-located School	Nonmajor Governmental Funds	Total Governmental Funds
Cash and cash equivalents.....	\$ 10,048,334	\$ 3,691,961	\$ 41,381,219	\$ 3,753,524	\$ 58,875,038
Investments.....	10,997,085	-	-	3,231,097	14,228,182
Receivables, net of uncollectibles:					
Real estate and personal property taxes.....	1,228,153	29,338	-	-	1,257,491
Real estate tax deferrals.....	317,281	-	-	-	317,281
Tax liens.....	44,058	877	-	-	44,935
Motor vehicle and other excise taxes.....	289,367	-	-	-	289,367
User fees.....	18,687	-	-	-	18,687
Departmental and other.....	240,831	-	-	46,568	287,399
Special assessments.....	478,503	-	-	-	478,503
Intergovernmental.....	-	774,590	5,026,899	1,233,608	7,035,097
Tax foreclosures.....	686,466	-	-	-	686,466
Due from other funds.....	312,003	-	-	-	312,003
<b>TOTAL ASSETS.....</b>	<b>\$ 24,660,768</b>	<b>\$ 4,496,766</b>	<b>\$ 46,408,118</b>	<b>\$ 8,264,797</b>	<b>\$ 83,830,449</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES:</b>					
Warrants payable.....	\$ 1,309,235	\$ 602	\$ 5,949,423	\$ 918,406	\$ 8,177,666
Accrued payroll.....	2,543,404	-	-	26,899	2,570,303
Other liabilities.....	312,795	2,688	-	311,460	626,943
Deferred revenues.....	2,710,314	804,805	-	920,333	4,435,452
Due to other funds.....	-	-	-	312,003	312,003
Notes payable.....	-	-	-	500,000	500,000
<b>TOTAL LIABILITIES.....</b>	<b>6,875,748</b>	<b>808,095</b>	<b>5,949,423</b>	<b>2,989,101</b>	<b>16,622,367</b>
<b>FUND BALANCES:</b>					
Nonspendable.....	-	-	-	2,077,070	2,077,070
Restricted.....	7,013,483	3,688,671	40,458,695	3,696,776	54,857,625
Committed.....	2,032,555	-	-	-	2,032,555
Assigned.....	2,234,372	-	-	-	2,234,372
Unassigned.....	6,504,610	-	-	(498,150)	6,006,460
<b>TOTAL FUND BALANCES.....</b>	<b>17,785,020</b>	<b>3,688,671</b>	<b>40,458,695</b>	<b>5,275,696</b>	<b>67,208,082</b>
<b>TOTAL LIABILITIES AND FUND BALANCES.....</b>	<b>\$ 24,660,768</b>	<b>\$ 4,496,766</b>	<b>\$ 46,408,118</b>	<b>\$ 8,264,797</b>	<b>\$ 83,830,449</b>

See notes to basic financial statements.

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TOTAL FUND BALANCES TO THE STATEMENT OF NET POSITION**

JUNE 30, 2013

Total governmental fund balances.....		\$ 67,208,082
Capital assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds.....		151,978,843
Accounts receivable are not available to pay for current-period expenditures and, therefore, are deferred in the funds.....		4,435,452
Internal service funds are used by management to account for retirees' health insurance and workers' compensation activities.		
The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.....		5,826,267
In the statement of net position, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.....		(2,024,623)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds		
Bonds payable.....	(99,851,918)	
Compensated absences.....	(1,430,000)	
Other postemployment benefits obligation.....	(26,176,000)	
Net effect of reporting long-term liabilities.....		(127,457,918)
Net position of governmental activities.....		\$ 99,966,103

See notes to basic financial statements.

**GOVERNMENTAL FUNDS**  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FISCAL YEAR ENDED JUNE 30, 2013

	General	Community Preservation Act	Co-located School	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>					
Real estate and personal property taxes, net of tax refunds.....	\$ 45,288,464	\$ -	\$ -	\$ -	\$ 45,288,464
Tax and trash liens.....	68,924	623	-	-	69,547
Motor vehicle and other excise taxes.....	2,264,283	-	-	-	2,264,283
Sewer charges.....	287,269	-	-	-	287,269
Trash disposal.....	591,499	-	-	-	591,499
Intergovernmental.....	12,493,111	433,404	17,637,922	2,365,578	32,930,015
Departmental and other.....	4,489,913	-	-	6,111,114	10,601,027
Community preservation taxes.....	-	1,322,525	-	-	1,322,525
Contributions.....	-	-	-	302,255	302,255
Investment income.....	471,347	4,526	-	252,469	728,342
<b>TOTAL REVENUES.....</b>	<b>65,954,810</b>	<b>1,761,078</b>	<b>17,637,922</b>	<b>9,031,416</b>	<b>94,385,226</b>
<b>EXPENDITURES:</b>					
Current:					
General government.....	3,543,807	-	-	403,229	3,947,036
Public safety.....	7,072,924	-	-	6,039,507	13,112,431
Education.....	30,292,080	-	45,285,973	6,234,455	81,812,508
Public works.....	4,124,856	-	-	1,480,787	5,605,643
Human services.....	670,534	-	-	258,391	928,925
Culture and recreation.....	1,444,214	-	-	362,820	1,807,034
Community preservation.....	-	113,408	-	-	113,408
Pension benefits - Town.....	2,418,200	-	-	4,565	2,422,765
Pension benefits - School.....	6,882,597	-	-	-	6,882,597
Property and liability insurance.....	253,465	-	-	-	253,465
Employee benefits.....	6,692,042	-	-	-	6,692,042
State and county charges.....	296,362	-	-	-	296,362
Debt service:					
Principal.....	1,363,792	-	-	-	1,363,792
Interest.....	505,484	-	-	-	505,484
<b>TOTAL EXPENDITURES.....</b>	<b>65,560,357</b>	<b>113,408</b>	<b>45,285,973</b>	<b>14,783,754</b>	<b>125,743,492</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>394,453</b>	<b>1,647,670</b>	<b>(27,648,051)</b>	<b>(5,752,338)</b>	<b>(31,358,266)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Issuance of long-term bonds.....	-	-	65,922,000	1,427,000	67,349,000
Premium from issuance of bonds and notes.....	7,013,483	-	-	-	7,013,483
Transfers in.....	135,892	-	-	392,000	527,892
Transfers out.....	(657,770)	-	-	(8,500)	(666,270)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>6,491,605</b>	<b>-</b>	<b>65,922,000</b>	<b>1,810,500</b>	<b>74,224,105</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>6,886,058</b>	<b>1,647,670</b>	<b>38,273,949</b>	<b>(3,941,838)</b>	<b>42,865,839</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>10,898,962</b>	<b>2,041,001</b>	<b>2,184,746</b>	<b>9,217,534</b>	<b>24,342,243</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 17,785,020</b>	<b>\$ 3,688,671</b>	<b>\$ 40,458,695</b>	<b>\$ 5,275,696</b>	<b>\$ 67,208,082</b>

See notes to basic financial statements.

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES**

FISCAL YEAR ENDED JUNE 30, 2013

Net change in fund balances - total governmental funds.....		\$ 42,865,839
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay.....	53,127,988	
Depreciation expense.....	<u>(3,741,701)</u>	
Net effect of reporting capital assets.....		49,386,287
<p>Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate and personal property, motor vehicle excise, etc.) differ between the two statements. This amount represents the net change in deferred revenue.....</p>		
		965,532
<p>The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.</p>		
Issuance of bonds.....	(67,349,000)	
Premium from issuance of bonds, net of issue costs.....	(7,013,483)	
Debt service principal payments.....	<u>1,363,792</u>	
Net effect of reporting long-term debt.....		(72,998,691)
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>		
Net change in compensated absences accrual.....	(77,000)	
Net change in accrued interest on long-term debt.....	(1,845,796)	
Net change in other postemployment benefits obligation.....	<u>(5,598,000)</u>	
Net effect of recording long-term liabilities.....		(7,520,796)
<p>Internal service funds are used by management to account for health insurance and workers' compensation activities.</p>		
The net activity of internal service funds is reported with governmental activities.....		<u>422,487</u>
Change in net position of governmental activities.....		<u>\$ 13,120,658</u>

See notes to basic financial statements.

**PROPRIETARY FUNDS**  
STATEMENT OF NET POSITION

JUNE 30, 2013

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water Enterprise	Percy Walker Pool Enterprise	Total	
<b>ASSETS</b>				
<b>CURRENT:</b>				
Cash and cash equivalents.....	\$ 2,402,618	\$ 33,647	\$ 2,436,265	\$ 4,177,274
Investments.....	-	-	-	2,087,622
Receivables, net of allowance for uncollectibles:				
User fees.....	1,245,000	-	1,245,000	-
Departmental and other.....	-	-	-	400,279
Total current assets.....	<u>3,647,618</u>	<u>33,647</u>	<u>3,681,265</u>	<u>6,665,175</u>
<b>NONCURRENT:</b>				
Capital assets:				
Nondepreciable.....	4,423,641	-	4,423,641	-
Depreciable.....	<u>10,361,851</u>	<u>2,231,456</u>	<u>12,593,307</u>	<u>-</u>
Total noncurrent assets.....	<u>14,785,492</u>	<u>2,231,456</u>	<u>17,016,948</u>	<u>-</u>
<b>TOTAL ASSETS.....</b>	<u><b>18,433,110</b></u>	<u><b>2,265,103</b></u>	<u><b>20,698,213</b></u>	<u><b>6,665,175</b></u>
<b>LIABILITIES</b>				
<b>CURRENT:</b>				
Warrants payable.....	36,791	8,402	45,193	3,676
Accrued payroll.....	10,268	1,672	11,940	524
Health claims payable.....	-	-	-	834,708
Accrued interest.....	29,181	16,898	46,079	-
Other liabilities.....	-	3,055	3,055	-
Compensated absences.....	38,000	-	38,000	-
Notes payable.....	400,000	-	400,000	-
Bonds payable.....	<u>559,674</u>	<u>160,000</u>	<u>719,674</u>	<u>-</u>
Total current liabilities.....	<u>1,073,914</u>	<u>190,027</u>	<u>1,263,941</u>	<u>838,908</u>
<b>NONCURRENT:</b>				
Compensated absences.....	7,000	-	7,000	-
Other postemployment benefits.....	468,000	44,000	512,000	-
Bonds payable.....	<u>3,527,831</u>	<u>1,710,000</u>	<u>5,237,831</u>	<u>-</u>
Total noncurrent liabilities.....	<u>4,002,831</u>	<u>1,754,000</u>	<u>5,756,831</u>	<u>-</u>
<b>TOTAL LIABILITIES.....</b>	<u><b>5,076,745</b></u>	<u><b>1,944,027</b></u>	<u><b>7,020,772</b></u>	<u><b>838,908</b></u>
<b>NET POSITION</b>				
Net investment in capital assets.....	10,593,191	379,070	10,972,261	-
Unrestricted.....	<u>2,763,174</u>	<u>(57,994)</u>	<u>2,705,180</u>	<u>5,826,267</u>
<b>TOTAL NET POSITION.....</b>	<u><b>\$ 13,356,365</b></u>	<u><b>\$ 321,076</b></u>	<u><b>\$ 13,677,441</b></u>	<u><b>\$ 5,826,267</b></u>

See notes to basic financial statements.

**PROPRIETARY FUNDS**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**FISCAL YEAR ENDED JUNE 30, 2013**

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water Enterprise	Percy Walker Pool Enterprise	Total	
<b>OPERATING REVENUES:</b>				
Employee contributions .....	\$ -	\$ -	\$ -	\$ 2,886,463
Employer contributions .....	-	-	-	6,274,864
Charges for services .....	3,009,145	372,637	3,381,782	-
<b>TOTAL OPERATING REVENUES .....</b>	<b>3,009,145</b>	<b>372,637</b>	<b>3,381,782</b>	<b>9,161,327</b>
<b>OPERATING EXPENSES:</b>				
Cost of services and administration .....	1,648,493	383,534	2,032,027	8,819,299
Depreciation.....	984,400	59,505	1,043,905	-
<b>TOTAL OPERATING EXPENSES .....</b>	<b>2,632,893</b>	<b>443,039</b>	<b>3,075,932</b>	<b>8,819,299</b>
<b>OPERATING INCOME (LOSS).....</b>	<b>376,252</b>	<b>(70,402)</b>	<b>305,850</b>	<b>342,028</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Investment income.....	-	-	-	80,459
Interest expense.....	(120,421)	(60,204)	(180,625)	-
<b>TOTAL NONOPERATING REVENUES (EXPENSES), NET.....</b>	<b>(120,421)</b>	<b>(60,204)</b>	<b>(180,625)</b>	<b>80,459</b>
<b>INCOME (LOSS) BEFORE TRANSFERS.....</b>	<b>255,831</b>	<b>(130,606)</b>	<b>125,225</b>	<b>422,487</b>
<b>TRANSFERS:</b>				
Transfers in.....	-	265,770	265,770	-
Transfers out.....	(107,937)	(19,455)	(127,392)	-
<b>TOTAL TRANSFERS.....</b>	<b>(107,937)</b>	<b>246,315</b>	<b>138,378</b>	<b>-</b>
<b>CHANGE IN NET POSITION.....</b>	<b>147,894</b>	<b>115,709</b>	<b>263,603</b>	<b>422,487</b>
<b>NET POSITION AT BEGINNING OF YEAR.....</b>	<b>13,208,471</b>	<b>205,367</b>	<b>13,413,838</b>	<b>5,403,780</b>
<b>NET POSITION AT END OF YEAR.....</b>	<b>\$ 13,356,365</b>	<b>\$ 321,076</b>	<b>\$ 13,677,441</b>	<b>\$ 5,826,267</b>

See notes to basic financial statements.

**PROPRIETARY FUNDS**  
**STATEMENT OF CASH FLOWS**

FISCAL YEAR ENDED JUNE 30, 2013

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water Enterprise	Percy Walker Pool Enterprise	Total	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers and users.....	\$ 3,079,206	\$ 372,637	\$ 3,451,843	\$ -
Receipts from interfund services provided.....	-	-	-	9,070,152
Payments to vendors.....	(759,124)	(163,334)	(922,458)	(8,946,004)
Payments to employees.....	(773,102)	(200,833)	(973,935)	-
<b>NET CASH FROM OPERATING ACTIVITIES.....</b>	<b>1,546,980</b>	<b>8,470</b>	<b>1,555,450</b>	<b>124,148</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Transfers in.....	-	265,770	265,770	-
Transfers out.....	(107,937)	(19,455)	(127,392)	-
<b>NET CASH FROM NONCAPITAL FINANCING ACTIVITIES.....</b>	<b>(107,937)</b>	<b>246,315</b>	<b>138,378</b>	<b>-</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Proceeds from the issuance of bonds and notes.....	400,000	-	400,000	-
Acquisition and construction of capital assets.....	(918,012)	-	(918,012)	-
Principal payments on bonds and notes.....	(611,908)	(160,000)	(771,908)	-
Interest expense.....	(123,739)	(61,138)	(184,877)	-
<b>NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES.....</b>	<b>(1,253,659)</b>	<b>(221,138)</b>	<b>(1,474,797)</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Proceeds from sales and maturities of investments.....	-	-	-	1,070,917
Purchase of investments.....	-	-	-	(2,087,622)
Investment income.....	-	-	-	80,459
<b>NET CASH FROM INVESTING ACTIVITIES.....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(936,246)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS.....</b>	<b>185,384</b>	<b>33,647</b>	<b>219,031</b>	<b>(812,098)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....</b>	<b>2,217,234</b>	<b>-</b>	<b>2,217,234</b>	<b>4,989,372</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR.....</b>	<b>\$ 2,402,618</b>	<b>\$ 33,647</b>	<b>\$ 2,436,265</b>	<b>\$ 4,177,274</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH</b>				
<b>FROM OPERATING ACTIVITIES:</b>				
Operating income (loss).....	\$ 376,252	\$ (70,402)	\$ 305,850	\$ 342,028
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation.....	984,400	59,505	1,043,905	-
Changes in assets and liabilities:				
User fees.....	70,061	-	70,061	-
Departmental and other.....	-	-	-	(91,175)
Due from other funds.....	4,660	-	4,660	-
Warrants payable.....	9,268	(2,201)	7,067	3,676
Accrued payroll.....	339	173	512	13
Health claims payable.....	-	-	-	(130,394)
Other liabilities.....	-	3,055	3,055	-
Due to other funds.....	-	(4,660)	(4,660)	-
Accrued compensated absences.....	2,000	-	2,000	-
Other postemployment benefits obligation.....	100,000	23,000	123,000	-
<b>Total adjustments.....</b>	<b>1,170,728</b>	<b>78,872</b>	<b>1,249,600</b>	<b>(217,880)</b>
<b>NET CASH FROM OPERATING ACTIVITIES.....</b>	<b>\$ 1,546,980</b>	<b>\$ 8,470</b>	<b>\$ 1,555,450</b>	<b>\$ 124,148</b>

See notes to basic financial statements.

**FIDUCIARY FUNDS**  
STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2013

	Other Postemployment Benefits Fund	Private Purpose Trust Funds	Agency Funds
<b>ASSETS</b>			
Cash and cash equivalents.....	\$ 20,224	\$ 63,588	\$ 191,238
Investments:			
Equity mutual funds.....	306,228	-	-
Government sponsored enterprises.....	-	1,121,235	-
Corporate bonds.....	-	65,278	-
Equity securities.....	-	1,216,040	-
<b>TOTAL ASSETS.....</b>	<b>326,452</b>	<b>2,466,141</b>	<b>191,238</b>
<b>LIABILITIES</b>			
Warrants payable.....	-	-	611
Accrued liabilities.....	-	-	365
Liabilities due depositors.....	-	-	190,262
<b>TOTAL LIABILITIES.....</b>	<b>-</b>	<b>-</b>	<b>191,238</b>
<b>NET POSITION</b>			
Held in trust for other postemployment benefits and other purposes.....	\$ <u>326,452</u>	\$ <u>2,466,141</u>	\$ <u>-</u>

See notes to basic financial statements.

**FIDUCIARY FUNDS**  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FISCAL YEAR ENDED JUNE 30, 2013

	<u>Other Postemployment Benefits Fund</u>	<u>Private Purpose Trust Funds</u>
<u>ADDITIONS:</u>		
Contributions:		
Employer.....	\$ 329,618	\$ -
Net investment income:		
Interest.....	(3,166)	211,914
TOTAL ADDITIONS.....	<u>326,452</u>	<u>211,914</u>
<u>DEDUCTIONS:</u>		
Scholarships and other.....	-	37,524
CHANGE IN NET POSITION.....	326,452	174,390
NET POSITION AT BEGINNING OF YEAR.....	-	<u>2,291,751</u>
NET POSITION AT END OF YEAR.....	<u>\$ 326,452</u>	<u>\$ 2,466,141</u>

See notes to basic financial statements.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying basic financial statements of the Town of Duxbury, Massachusetts (the Town) have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the recognized standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described herein.

**A. Reporting Entity**

The Town of Duxbury, Massachusetts is a municipal corporation governed by an elected three member Board of Selectmen and an appointed Town Manager.

For financial reporting purposes, the Town has included all funds, organizations, agencies, boards, commissions and institutions. The Town has also considered all potential component units for which it is financially accountable as well as other organizations for which the nature and significance of their relationship with the Town are such that exclusion would cause the basic financial statements to be misleading or incomplete. As required by GAAP, these basic financial statements present the Town (the Primary Government) and its component units. The Town did not identify any component units requiring inclusion in the basic financial statements.

**B. Government-Wide and Fund Financial Statements***Government-Wide Financial Statements*

The government-wide financial statements (i.e., statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the primary government and its component units. *Governmental activities*, which are primarily supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which are supported primarily by user fees and charges.

*Fund Financial Statements*

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and displayed in a single column.

*Major Fund Criteria*

Major funds must be reported if the following criteria are met:

- If the total assets, liabilities, revenues, or expenditures/expenses of an individual governmental or enterprise fund are at least 10% of the corresponding element (assets, liabilities, etc.) for all funds of that category or type (total governmental or total enterprise funds), *and*
- If the total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5% of the corresponding element for all governmental and enterprise funds combined.

Additionally, any other governmental or enterprise fund that management believes is particularly significant to the basic financial statements may be reported as a major fund.

Internal service funds and fiduciary funds are reported by fund type.

### C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

#### *Government-Wide Financial Statements*

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when the liabilities are incurred. Real estate and personal property taxes are recognized as revenues in the fiscal year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The statement of activities demonstrates the degree to which the direct expenses of a particular function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include the following:

- Charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment.
- Grants and contributions that are restricted to meeting the operational requirements of a particular function or segment.
- Grants and contributions that are restricted to meeting the capital requirements of a particular function or segment.

Taxes and other items not identifiable as program revenues are reported as general revenues.

For the most part, the effect of interfund activity has been removed from the government-wide financial statements. However, the effect of interfund services provided and used between functions is not eliminated as the elimination of these charges would distort the direct costs and program revenues reported for the functions affected.

#### *Fund Financial Statements*

**Governmental** fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when the fund liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Real estate and personal property tax revenues are considered available if they are collected within 60 days after fiscal year-end. Investment income is susceptible to accrual. Other receipts and tax revenues become measurable and available when the cash is received and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria is met. Expenditure driven grants recognize revenue when the qualifying expenditures are incurred and all other grant requirements are met.

The following major governmental funds are reported:

The *general fund* is the primary operating fund. It is used to account for all financial resources, except those that are required to be accounted for in another fund.

The *community preservation act fund* is a special revenue fund used to account for funds held for uses restricted by law for community preservation purposes. These funds are attributable to the Town's acceptance of the Community Preservation Act, which allows the Town to impose up to a 3% surcharge on property taxes and to receive matching state grant funds for specified uses related to the acquisition, creation, preservation and support of open space, historic resources, land for recreational use and community housing.

The *co-located school fund* is a capital project fund used to account for the design and construction of the new co-located school.

The nonmajor governmental funds consist of other special revenue and capital projects that are aggregated and presented in the *nonmajor governmental funds* column on the governmental funds financial statements. The following describes the general use of these fund types:

The *special revenue fund* is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than permanent funds or capital projects.

The *capital projects fund* is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets of the governmental funds.

The *permanent fund* is used to account for and report financial resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the governmental programs.

**Proprietary** fund financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when the liabilities are incurred.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The following major proprietary funds are reported:

The *water enterprise fund* is used to account for the Town's water activities.

The *Percy Walker pool enterprise fund* is used to account for the operating activities at the Town's pool.

Additionally, the following proprietary fund type is reported:

The *internal service fund* is used to account for the financing of services provided by one department to other departments or governmental units. This fund is used to account for risk financing activities related to employees' health insurance.

**Fiduciary** fund financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting. Fiduciary funds are used to account for assets held in a trustee capacity for others that cannot be used to support the governmental programs. Agency funds have no measurement focus.

The following fiduciary fund types are reported:

The *other postemployment benefit trust fund* is used to accumulate resources to provide funding for future other postemployment benefits (OPEB) liabilities.

The *private-purpose trust fund* is used to account for trust arrangements that exclusively benefit individuals, private organizations, or other governments. Some of these trusts have donor restrictions and trustee policies that do not allow the endowment portion and any unrealized appreciation to be spent. The restrictions and trustee policies only allows the trustees to approve spending of the realized investment earnings. The Town's private-purpose trust fund is primarily comprised of scholarships.

The *agency fund* is used to account for assets held in a purely custodial capacity. The Town's agency fund is comprised of performance bonds, security deposits, and fees and licenses collected on behalf of the state.

#### D. Cash and Investments

##### *Government-Wide and Fund Financial Statements*

Cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with an original maturity of three months or less from the date of acquisition.

Investments are carried at fair value. The fair values were determined by the closing price for those securities traded on national stock exchanges and at the average bid-and-asked quotation for those securities traded in the over-the-counter market.

#### E. Accounts Receivable

##### *Government-Wide and Fund Financial Statements*

The recognition of revenue related to accounts receivable reported in the government-wide financial statements and the proprietary funds and fiduciary funds financial statements are reported under the accrual basis of accounting. The recognition of revenue related to accounts receivable reported in the governmental funds financial statements are reported under the modified accrual basis of accounting.

#### ***Real Estate, Personal Property Taxes and Tax Liens***

Real estate and personal property taxes are levied and based on values assessed on January 1<sup>st</sup> of every year. Assessed values are established by the Board of Assessor's for 100% of the estimated fair market value. Taxes are due on August 1<sup>st</sup>, November 1<sup>st</sup>, February 1<sup>st</sup> and May 1<sup>st</sup> and are subject to penalties and interest if they are not paid by the respective due date. Real estate and personal property taxes levied are recorded as receivables in the fiscal year of the levy.

Real estate tax liens are processed yearly after the close of the valuation year on delinquent properties and are recorded as receivables in the fiscal year they are processed.

Real estate receivables are secured via the tax lien process and are considered 100% collectible. Accordingly, an allowance for uncollectibles is not reported.

Personal property taxes cannot be secured through the lien process. The allowance of uncollectibles is estimated based on historical trends and specific account analysis.

### ***Motor Vehicle and Other Excise Taxes***

Motor vehicle excise taxes are assessed annually for each vehicle registered and are recorded as receivables in the fiscal year of the levy. The Commonwealth is responsible for reporting the number of vehicles registered and the fair values of those vehicles. The tax calculation is the fair value of the vehicle multiplied by \$25 per \$1,000 of value. Boat excise taxes are assessed annually for each boat registered and are recorded as receivables in the fiscal year of the levy. The Commonwealth is responsible for reporting the number of boats registered and the fair value of those boats. The tax calculation is the fair value of the boat multiplied by \$10 per \$1,000 of value.

The allowance for uncollectibles is estimated based on historical trends and specific account analysis.

### ***User Fees***

Water and sewer user fees are levied monthly based on individual meter readings and are subject to penalties and interest if they are not paid by the respective due date. Unbilled user fees are estimated at fiscal year-end and are recorded as revenue in the current period. Water and Sewer liens are processed in December of every year and included as a lien on the property owner's tax bill. Water and Sewer charges and liens are recorded as receivables in the fiscal year of the levy.

Since the receivables are secured via the lien process, these accounts are considered 100% collectible and therefore do not report an allowance for uncollectibles.

### ***Departmental and Other***

Departmental and other receivables consist of veterans and ambulance receivables and are recorded as receivables in the fiscal year accrued. The allowance of uncollectibles is estimated based on historical trends and specific account analysis.

### ***Special Assessments***

Special assessments in the general fund consist of apportioned and unapportioned road improvement and septic system betterments assessed to homeowners whose properties were improved through Town-run construction projects.

Since the receivables are secured via the lien process, these accounts are considered 100% collectible and therefore do not report an allowance for uncollectibles.

### ***Intergovernmental***

Various federal and state grants for operating and capital purposes are applied for and received annually. For non-expenditure driven grants, receivables are recorded as soon as all eligibility requirements imposed by the

provider have been met. For expenditure driven grants, receivables are recorded when the qualifying expenditures are incurred and all other grant requirements are met.

These receivables are considered 100% collectible and therefore do not report an allowance for uncollectibles.

F. Inventories

*Government-Wide and Fund Financial Statements*

Inventories are recorded as expenditures at the time of purchase. Such inventories are not material in total to the government-wide and fund financial statements, and therefore are not reported.

G. Capital Assets

*Government-Wide and Proprietary Fund Financial Statements*

Capital assets, which include land, land improvements, buildings, machinery and equipment, and infrastructure (e.g., roads, water mains, sewer mains, and similar items), are reported in the applicable governmental or business-type activity column of the government-wide financial statements, and the proprietary fund financial statements. Capital assets are recorded at historical cost, or at estimated historical cost, if actual historical cost is not available. Donated capital assets are recorded at the estimated fair market value at the date of donation. Except for the capital assets of the governmental activities column in the government-wide financial statements, construction period interest is capitalized on constructed capital assets.

All purchases and construction costs in excess of \$10,000 are capitalized at the date of acquisition or construction, respectively, with expected useful lives of greater than one year. All major general infrastructure assets acquired or significantly reconstructed in fiscal years ending after June 30, 1980 have been recorded at estimated historical cost.

Capital assets (excluding land and construction in progress) are depreciated on a straight-line basis. The estimated useful lives of capital assets are as follows:

<u>Capital Asset Type</u>	<u>Estimated Useful Life (in years)</u>
Buildings.....	40
Plant, Facilities and Infrastructure.....	20-40
Vehicles.....	5-15
Furniture, Fixtures and Equipment.....	10
Improvements.....	10-20

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized and are treated as expenses when incurred. Improvements are capitalized.

*Governmental Fund Financial Statements*

Capital asset costs are recorded as expenditures in the acquiring fund in the fiscal year of the purchase.

#### H. Deferred Outflows/Inflows of Resources

##### *Government-Wide Financial Statements (Net Position)*

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Town did not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Town did not have any items that qualify for reporting in this category.

#### I. Interfund Receivables and Payables

During the course of its operations, transactions occur between and within individual funds that may result in amounts owed between funds.

##### *Government-Wide Financial Statements*

Transactions of a buyer/seller nature between and within governmental funds and internal service funds are eliminated from the governmental activities in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the statement of net position as "internal balances".

##### *Fund Financial Statements*

Transactions of a buyer/seller nature between and within funds are *not* eliminated from the individual fund statements. Receivables and payables resulting from these transactions are classified as "Due from other funds" or "Due to other funds" on the balance sheet.

#### J. Interfund Transfers

During the course of its operations, resources are permanently reallocated between and within funds. These transactions are reported as transfers in and transfers out.

##### *Government-Wide Financial Statements*

Transfers between and within governmental funds and internal service funds are eliminated from the governmental activities in the statement of activities. Any residual balances outstanding between the governmental activities and business-type activities are reported in the statement of activities as "Transfers, net".

##### *Fund Financial Statements*

Transfers between and within funds are *not* eliminated from the individual fund statements and are reported as transfers in and transfers out.

### K. Deferred Revenue

Deferred revenue at the governmental fund financial statement level represents billed receivables that do not meet the available criterion in accordance with the current financial resources measurement focus and the modified accrual basis of accounting. Deferred revenue is recognized as revenue in the conversion to the government-wide (full accrual) financial statements.

### L. Net Position and Fund Equity

#### *Government-Wide Financial Statements (Net Position)*

Net position reported as “net investment in capital assets” includes capital assets, net of accumulated depreciation, less the principal balance of outstanding debt used to acquire capital assets. Unspent proceeds of capital related debt are not considered to be capital assets. Outstanding debt related to future reimbursements from the state’s school building program is not considered to be capital related debt.

Net position is reported as restricted when amounts are not available for appropriation or are legally restricted by outside parties for a specific future use.

Net position has been “restricted for” the following:

“Perpetual care and other permanent funds - expendable” represents the amount of realized and unrealized investment earnings of donor restricted trusts. The restrictions and trustee policies only allows the trustees to approve spending of the realized investment earnings.

“Perpetual care and other permanent funds - nonexpendable” represents the endowment portion of donor restricted trusts.

“Gifts and grants” represents restrictions placed on assets from outside parties.

Sometimes the Town will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

#### *Fund Financial Statements (Fund Balances)*

Governmental fund balances are classified as nonspendable, restricted, committed, assigned, or unassigned based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The governmental fund balance classifications are as follows:

“Nonspendable” fund balance includes amounts that cannot be spent because they are either not in spendable form or they are legally or contractually required to be maintained intact.

“Restricted” fund balance includes amounts subject to constraints placed on the use of resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or that are imposed by law through constitutional provisions or enabling legislation.

“Committed” fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority. Town Meeting is the highest level of decision making authority that can, by Town Meeting vote, commit funds for a specific purpose. Once voted, the limitation imposed by the vote remains in place until the funds are used for their intended purpose or a vote is taken to rescind the commitment.

“Assigned” fund balance includes amounts that are constrained by the Town’s intent to be used for specific purposes, but are neither restricted nor committed. The Town’s by-laws authorize the Town Accountant to assign fund balance which generally only exists temporarily. Additional action does not have to be taken for the removal of an assignment.

“Unassigned” fund balance includes the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

Sometimes the Town will fund outlays for a particular purpose from different components of fund balance. In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. When different components of fund balance can be used for the same purpose, it is the Town’s policy to consider restricted fund balance to have been depleted first, followed by committed fund balance, and assigned fund balance. Unassigned fund balance is applied last.

#### M. Long-term debt

##### *Government-Wide and Proprietary Fund Financial Statements*

Long-term debt is reported as liabilities in the government-wide and proprietary fund statement of net position. Material bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

##### *Governmental Fund Financial Statements*

The face amount of governmental funds long-term debt is reported as other financing sources. Bond premiums and discounts, as well as issuance costs, are recognized in the current period. Bond premiums are reported as other financing sources and bond discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual bond proceeds received, are reported as general government expenditures.

#### N. Investment Income

Excluding the permanent funds, investment income derived from major and nonmajor governmental funds is legally assigned to the general fund unless otherwise directed by Massachusetts General Law (MGL). Investment income from proprietary funds is voluntarily assigned and transferred to the general fund.

#### O. Compensated Absences

Employees are granted vacation and sick leave in varying amounts based on collective bargaining agreements, state laws and executive policies.

##### *Government-Wide and Proprietary Fund Financial Statements*

Vested or accumulated vacation and sick leave are reported as liabilities and expensed as incurred.

*Governmental Fund Financial Statements*

Vested or accumulated vacation and sick leave, which will be liquidated with expendable available financial resources, are reported as expenditures and fund liabilities upon maturity of the liability.

P. Use of Estimates*Government-Wide and Fund Financial Statements*

The preparation of basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure for contingent assets and liabilities at the date of the basic financial statements and the reported amounts of the revenues and expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

Q. Individual Fund Deficits

Individual fund deficit exists within the nonmajor special revenue and capital projects funds. These deficits will be funded through grants, available funds, and bond proceeds in future fiscal years.

R. Total Column*Government-Wide Financial Statements*

The total column presented on the government-wide financial statements represents consolidated financial information.

*Fund Financial Statements*

The total column on the fund financial statements is presented only to facilitate financial analysis. Data in this column is not the equivalent of consolidated financial information.

**NOTE 2 – CASH AND INVESTMENTS**

A cash and investment pool is maintained that is available for use by all funds. Each fund type's portion of this pool is displayed on the balance sheet as "Cash and cash equivalents". The deposits and investments of the trust funds are held separately from those of other funds.

Statutes authorize the investment in obligations of the U.S. Treasury, agencies, and instrumentalities, certificates of deposit, repurchase agreements, money market accounts, bank deposits and the State Treasurer's Investment Pool (the Pool). The Treasurer may also invest trust funds in securities, other than mortgages or collateral loans, which are legal for the investment of funds of savings banks under the laws of the Commonwealth.

The Pool meets the criteria of an external investment pool. The Pool is administered by the Massachusetts Municipal Depository Trust (MMDT), which was established by the Treasurer of the Commonwealth who serves as Trustee. The fair value of the position in the Pool is the same as the value of the Pool shares.

Custodial Credit Risk – Deposits

In the case of deposits, the custodial credit risk is the risk that, in the event of a bank failure the Town's deposits may not be recovered. At fiscal year-end, the carrying amount of deposits totaled \$60,467,213 and the bank balance totaled \$69,011,993. Of the bank balance, \$1,623,817 was covered by Federal Depository Insurance, \$436,019 was collateralized, and \$66,952,157 was exposed to custodial credit risk because it was uninsured and uncollateralized. The Town's investment policy limits its custodial credit risk by 1) pre-qualifying banks, 2) diversifying its investments across several banks and 3) collateralizing deposits where practical.

The Town's investment policy states that bank deposits, including repurchase agreements; certificates of deposit; and demand deposits, that exceed the FDIC insured amount are to be made in banks or savings and loan associations with a Moody's Rating of A3 or above; a Standard & Poor's and Finch rating of A or above; or a Thompson Bond Watch Rating of A or B.

Investments

As of June 30, 2013, the Town of Duxbury had the following investments:

Investment Type	Fair Value	Maturity			
		Under 1 Year	1-5 Years	6-10 Years	Over 10 Years
<u>Debt Securities:</u>					
Government Sponsored Enterprises.....	\$ 4,191,965	\$ 559,157	\$ 3,084,089	\$ 428,289	\$ 120,430
U.S. Treasury Notes.....	8,283,999	826,139	3,194,809	1,718,958	2,544,093
Corporate Bonds.....	318,025	-	240,298	77,727	-
Total Debt Securities.....	12,793,989	\$ <u>1,385,296</u>	\$ <u>6,519,196</u>	\$ <u>2,224,974</u>	\$ <u>2,664,523</u>
<u>Other Investments:</u>					
Equity Securities.....	5,924,368				
Money Market Mutual Funds.....	305,498				
Equity Mutual Funds.....	306,228				
MMDT.....	<u>4,990,916</u>				
Total Investments.....	\$ <u>24,320,999</u>				

The Town participates in MMDT, which maintains a cash portfolio and a short-term bond portfolio with combined average maturities of approximately 3 months.

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of a failure by the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town's investments of \$12,793,989 in debt securities and \$5,924,368 in equity securities are exposed to custodial credit risk as the securities are uninsured. The shares of MMDT and open end mutual funds are not subject to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form. The securities are registered to Dunn & Co. as nominee for the Town of Duxbury. The Town of Duxbury's investment policy allows for custodial safekeeping in the name of a nominee. It also requires proof that securities purchased from any bank or dealer be provided to the Treasurer and recorded on the Town's books.

Interest Rate Risk

The Town’s investment policy limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates and to match investment maturities with anticipated cash flow requirements. The Town’s investment policy requires investments of operating funds to have a maturity of one year or less from the date of purchase. The Town limits their maximum final stated maturities for other investments to ten (10) years, unless specific authority is given to exceed this limit. Additionally, the policy does not permit the direct investment in securities maturing more than ten (10) years from date of purchase unless the maturities are matched to specific cash flow requirements. Reserve funds are permitted to be invested in securities exceeding ten (10) years if the maturities of such investments are made to coincide, as nearly as practicable, with the expected use of the funds.

Credit Risk

Credit risk is the risk of loss due to the failure of the security issuer or backer. At June 30, 2013 the Town’s investments were rated as follows:

Quality Ratings	Government Sponsored Enterprises	Corporate Bonds
AAA.....	\$ 4,071,538	\$ -
A.....	-	190,137
BAA.....	-	127,888
Other.....	120,427	-
Fair Value.....	<u>\$ 4,191,965</u>	<u>\$ 318,025</u>

The Town’s investment in money market mutual funds is unrated. The Town’s investment in MMDT is unrated.

Concentration of Credit Risk

The Town places no limit on the amount the government may invest in any one issuer. More than 5% of the Town’s investments are in the following securities:

Issuer	Percentage of Total Investments
Federal Home Loan Mortgage Corporation.....	5.74%
Federal National Mortgage Association.....	6.88%

**NOTE 3 – RECEIVABLES**

At June 30, 2013, receivables for the individual major and nonmajor governmental funds and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
Real estate and personal property taxes.....	\$ 1,268,812	\$ (11,321)	\$ 1,257,491
Real estate tax deferrals.....	317,281	-	317,281
Tax liens.....	44,935	-	44,935
Motor vehicle and other excise taxes.....	392,459	(103,092)	289,367
User fees.....	18,687	-	18,687
Departmental and other.....	838,785	(151,107)	687,678
Special assessments.....	478,503	-	478,503
Intergovernmental.....	7,035,097	-	7,035,097
Total.....	\$ <u>10,394,559</u>	\$ <u>(265,520)</u>	\$ <u>10,129,039</u>

At June 30, 2013, receivables for the water enterprise consist of the following:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
Water user fees.....	\$ <u>1,245,000</u>	\$ -	\$ <u>1,245,000</u>

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of *deferred revenue* reported in the governmental funds were as follows:

	General Fund	Community Preservation Act	Nonmajor Governmental Funds	Total
<u>Receivable and other asset type:</u>				
Real estate and personal property taxes.....	\$ 635,864	\$ 29,338	\$ -	\$ 665,202
Real estate tax deferrals.....	317,281	-	-	317,281
Tax liens.....	44,058	877	-	44,935
Motor vehicle and other excise taxes.....	289,367	-	-	289,367
User fees.....	18,687	-	-	18,687
Departmental and other.....	240,088	-	46,568	286,656
Special assessments.....	478,503	-	-	478,503
Intergovernmental.....	-	774,590	873,765	1,648,355
Tax foreclosures.....	686,466	-	-	686,466
Total.....	\$ <u>2,710,314</u>	\$ <u>804,805</u>	\$ <u>920,333</u>	\$ <u>4,435,452</u>

**NOTE 4 – CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2013, was as follows:

**Governmental Activities**

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 32,881,950	\$ 3,427,500	\$ (50,000)	\$ 36,259,450
Construction in progress.....	15,877,364	51,280,833	(9,601,731)	57,556,466
Total capital assets not being depreciated.....	48,759,314	54,708,333	(9,651,731)	93,815,916
<u>Capital assets being depreciated:</u>				
Buildings.....	54,015,324	6,671,448	-	60,686,772
Infrastructure.....	19,378,191	546,552	(297,618)	19,627,125
Vehicles.....	6,943,154	751,744	(361,083)	7,333,815
Furniture, fixtures and equipment.....	5,464,981	91,513	(349,638)	5,206,856
Improvements.....	10,335,271	10,129	-	10,345,400
Total capital assets being depreciated.....	96,136,921	8,071,386	(1,008,339)	103,199,968
<u>Less accumulated depreciation for:</u>				
Buildings.....	(15,471,817)	(1,319,687)	-	(16,791,504)
Infrastructure.....	(11,497,949)	(804,482)	297,618	(12,004,813)
Vehicles.....	(4,493,614)	(598,625)	361,083	(4,731,156)
Furniture, fixtures and equipment.....	(2,967,208)	(741,089)	349,638	(3,358,659)
Improvements.....	(7,873,091)	(277,818)	-	(8,150,909)
Total accumulated depreciation.....	(42,303,679)	(3,741,701)	1,008,339	(45,037,041)
Total capital assets being depreciated, net.....	53,833,242	4,329,685	-	58,162,927
Total governmental activities capital assets.....	\$ 102,592,556	\$ 59,038,018	\$ (9,651,731)	\$ 151,978,843

**Business-Type Activities**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Water Enterprise Fund Activities:</b>				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 2,849,437	\$ 50,000	\$ -	\$ 2,899,437
Construction in progress.....	863,956	803,257	(143,009)	1,524,204
Total capital assets not being depreciated.....	3,713,393	853,257	(143,009)	4,423,641
<u>Capital assets being depreciated:</u>				
Plant, facilities and infrastructure.....	20,724,456	150,000	-	20,874,456
Equipment and motor vehicles.....	417,418	57,764	-	475,182
Total capital assets being depreciated.....	21,141,874	207,764	-	21,349,638
<u>Less accumulated depreciation for:</u>				
Plant, facilities and infrastructure.....	(9,341,750)	(955,795)	-	(10,297,545)
Equipment and motor vehicles.....	(661,637)	(28,605)	-	(690,242)
Total accumulated depreciation.....	(10,003,387)	(984,400)	-	(10,987,787)
Total capital assets being depreciated, net.....	11,138,487	(776,636)	-	10,361,851
Total Water Enterprise capital assets.....	\$ 14,851,880	\$ 76,621	\$ (143,009)	\$ 14,785,492
	Beginning Balance	Increases	Decreases	Ending Balance
<b>Percy Walker Pool Enterprise Fund Activities:</b>				
<u>Capital assets being depreciated:</u>				
Buildings.....	\$ 2,380,219	\$ -	\$ -	\$ 2,380,219
<u>Less accumulated depreciation for:</u>				
Buildings.....	(89,258)	(59,505)	-	(148,763)
Total Percy Walker Pool Enterprise capital assets.....	\$ 2,290,961	\$ (59,505)	\$ -	\$ 2,231,456

Depreciation expense was charged to functions/programs of the primary government as follows:

**Governmental Activities:**

General government.....	\$	68,965
Public safety.....		468,974
Education.....		1,704,092
Public works.....		1,071,075
Human services.....		365
Culture and recreation.....		336,058
Community preservation.....		92,172
		<u>92,172</u>

Total depreciation expense - governmental activities..... \$ 3,741,701

**Business-Type Activities:**

Water.....	\$	984,400
Percy Walker Pool.....		59,505
		<u>59,505</u>

Total depreciation expense - business-type activities..... \$ 1,043,905

**NOTE 5 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

As of June 30, 2013, the Town has interfund receivable/payable of \$312,003 which exists between the general fund and highway improvements fund. The purpose of this balance is to cover short-term cash needs that will be funded by future grant proceeds.

Interfund transfers for the fiscal year ended June 30, 2013, are summarized as follows:

Transfers Out:	Transfers In:			Total
	General Fund	Nonmajor Governmental Funds	Percy Walker Pool Enterprise Fund	
General Fund.....	\$ -	\$ 392,000	\$ 265,770	\$ 657,770 (1)
Nonmajor Governmental Funds.....	8,500	-	-	8,500 (2)
Water Enterprise Fund.....	107,937	-	-	107,937 (3)
Percy Walker Pool Enterprise Fund.....	19,455	-	-	19,455 (3)
Total.....	<u>\$ 135,892</u>	<u>\$ 392,000</u>	<u>\$ 265,770</u>	<u>\$ 793,662</u>

- (1) Represents transfers from the General Fund to fund the fire station capital project and the Powder Point Bridge capital project and to the Percy Walker Pool enterprise fund for a prior year operating deficit raised by the Town and to reimburse for debt service which is raised through taxation to subsidize the enterprise fund.
- (2) Represents a transfer to the General Fund from the Crematory capital projects fund to pay for the demolition of the old crematory building.
- (3) Represents budgeted transfers to the General Fund from the Water and Percy Walker Pool Enterprise funds for indirect costs.

**NOTE 6 – SHORT-TERM FINANCING**

Short-term debt may be authorized and issued to fund the following:

- Current operating costs prior to the collection of revenues through issuance of revenue or tax anticipation notes (RANS or TANS).
- Capital project costs and other approved expenditures incurred prior to obtaining permanent financing through issuance of bond anticipation notes (BANS) or grant anticipation notes (GANS).

Short-term loans are general obligations and carry maturity dates that are limited by statute. Interest expenditures and expenses for short-term borrowings are accounted for in the general fund and water enterprise fund, respectively.

Details related to the short-term debt activity for the fiscal year ended June 30, 2013, is as follows:

Type	Purpose	Rate (%)	Due Date	Balance at June 30, 2012	Renewed/ Issued	Retired/ Redeemed	Balance at June 30, 2013
<i>Governmental Funds</i>							
BAN	Municipal Purpose.....	0.50%	9/14/2012	\$ 800,000	\$ -	\$ (800,000)	\$ -
BAN	Municipal Purpose.....	0.50%	12/6/2013	-	500,000	-	500,000 (1)
<i>Total Governmental Funds.....</i>				<u>800,000</u>	<u>500,000</u>	<u>(800,000)</u>	<u>500,000</u>
<i>Water Enterprise Fund</i>							
BAN	Municipal Purpose.....	0.50%	12/6/2013	-	400,000	-	400,000 (1)
<i>Total.....</i>				<u>\$ 800,000</u>	<u>\$ 900,000</u>	<u>\$ (800,000)</u>	<u>\$ 900,000</u>

- (1) At the BAN's maturity on December 6, 2013, the Town rolled the BAN forward into a new BAN totaling \$2,893,000 with a maturity date of June 6, 2014 and an interest rate of 0.6%.

**NOTE 7 – LONG-TERM DEBT**

Under the provisions of Chapter 44, Section 10, Municipal Law authorizes indebtedness up to a limit of 5% of the equalized valuation. Debt issued in accordance with this section of the law is designated as being "inside the debt limit". In addition, however, debt may be authorized in excess of that limit for specific purposes. Such debt, when issued, is designated as being "outside the debt limit".

Details related to the outstanding indebtedness at June 30, 2013, and the debt service requirements are as follows:

**General Obligation Bonds Payable Schedule – Governmental Funds**

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2012	Issued	Redeemed	Outstanding at June 30, 2013
MWPAT 1997.....	2017	\$ 650,000	5.27	\$ 197,721	\$ -	\$ (37,230)	\$ 160,491
MWPAT 2001 Title V.....	2019	195,676	4.50	76,084	-	(10,872)	65,212
MWPAT 2004 Title V.....	2021	192,582	3.30-5.25	96,422	-	(10,690)	85,732
Municipal Purpose Loans of 2002.....	2017	2,183,000	3.50-4.50	710,000	-	(145,000)	565,000
Municipal Purpose Loans of 2003.....	2023	1,338,000	3.10-4.00	550,000	-	(75,000)	475,000
Municipal Purpose Loans of 2006.....	2021	13,035,000	4.00	7,785,000	-	(865,000)	6,920,000
Municipal Purpose Loans of 2009.....	2017	125,000	3.00-3.85	65,000	-	(15,000)	50,000
Municipal Purpose Refunding Loans of 2009.....	2017	1,300,000	3.00-3.85	770,000	-	(165,000)	605,000
Municipal Purpose Loans of 2010.....	2023	787,000	3.10-4.00	505,000	-	(40,000)	465,000
Municipal Purpose Loans of 2013.....	2038	83,447,000	3.00-4.00	16,098,000	67,349,000	-	83,447,000
Total Bonds Payable.....				<u>26,853,227</u>	<u>67,349,000</u>	<u>(1,363,792)</u>	<u>92,838,435</u>
Add: Unamortized Premium.....				<u>-</u>	<u>7,013,483</u>	<u>-</u>	<u>7,013,483</u>
Total Bonds Payable, net.....				<u>\$ 26,853,227</u>	<u>\$ 74,362,483</u>	<u>\$ (1,363,792)</u>	<u>\$ 99,851,918</u>

Debt service requirements for principal and interest for governmental bonds payable in future fiscal years are as follows:

Fiscal Year	Principal	Interest	Total
2014.....	\$ 4,301,889	\$ 4,578,457	\$ 8,880,346
2015.....	5,346,053	3,068,794	8,414,847
2016.....	4,902,267	2,902,889	7,805,156
2017.....	4,898,518	2,742,314	7,640,832
2018.....	4,561,558	2,568,846	7,130,404
2019.....	4,551,558	2,386,576	6,938,134
2020.....	4,540,690	2,203,287	6,743,977
2021.....	4,540,902	2,019,554	6,560,456
2022.....	3,665,000	1,854,156	5,519,156
2023.....	3,660,000	1,707,602	5,367,602
2024.....	3,605,000	1,580,256	5,185,256
2025.....	3,605,000	1,454,125	5,059,125
2026.....	3,570,000	1,327,950	4,897,950
2027.....	3,570,000	1,220,850	4,790,850
2028.....	3,570,000	1,095,900	4,665,900
2029.....	3,150,000	961,500	4,111,500
2030.....	3,150,000	835,500	3,985,500
2031.....	3,150,000	709,500	3,859,500
2032.....	3,150,000	583,500	3,733,500
2033.....	3,150,000	473,250	3,623,250
2034.....	2,840,000	383,400	3,223,400
2035.....	2,840,000	298,200	3,138,200
2036.....	2,840,000	213,000	3,053,000
2037.....	2,840,000	127,800	2,967,800
2038.....	2,840,000	42,598	2,882,598
Totals.....	<u>\$ 92,838,435</u>	<u>\$ 37,339,804</u>	<u>\$ 130,178,239</u>

The Town is scheduled to be subsidized by the Massachusetts Water Pollution Abatement Trust (MWPAT) for governmental fund debt on a periodic basis for principal in the amount of \$46,641 and interest costs for \$48,025. Thus, net MWPAT loan repayments, including interest, are scheduled to be \$268,291 for the three MWPAT governmental debt issuances. Since the Town is legally obligated for the total amount of the debt, such amounts have been reported in the accompanying basic financial statements. The fiscal year 2013 principal and interest subsidies totaled approximately \$10,263 and \$26,508, respectively.

#### General Obligation Bonds Payable Schedule – Water Enterprise Fund

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2012	Issued	Redeemed	Outstanding at June 30, 2013
Municipal Purpose Loans of 1998.....	2014	\$ 2,753,000	3.89	\$ 200,000	\$ -	\$ (100,000)	\$ 100,000
Municipal Purpose Loans of 2003.....	2013	623,000	3.10	55,000	-	(55,000)	-
Municipal Purpose Loans of 2004.....	2014	1,500,000	2.00-4.00	300,000	-	(150,000)	150,000
Municipal Purpose Loans of 2006.....	2016	500,000	4.00	200,000	-	(50,000)	150,000
Municipal Purpose Loans of 2008.....	2014	1,700,000	3.00-3.85	1,200,000	-	(120,000)	1,080,000
MWPAT 2009.....	2029	3,150,000	2.00	2,744,413	-	(136,908)	2,607,505
Total Bonds Payable.....				\$ 4,699,413	\$ -	\$ (611,908)	\$ 4,087,505

Debt service requirements for principal and interest for water enterprise fund bonds payable in future fiscal years are as follows:

Fiscal Year	Principal	Interest	Total
2014.....	\$ 559,674	\$ 99,905	\$ 659,579
2015.....	312,495	83,875	396,370
2016.....	315,374	75,097	390,471
2017.....	268,311	66,961	335,272
2018.....	266,307	59,702	326,009
2019.....	259,364	52,664	312,028
2020.....	262,482	45,556	308,038
2021.....	265,664	38,331	303,995
2022.....	263,909	31,139	295,048
2023.....	237,221	24,555	261,776
2024.....	170,599	19,828	190,427
2025.....	174,045	16,382	190,427
2026.....	177,561	12,866	190,427
2027.....	181,149	9,279	190,428
2028.....	184,808	5,619	190,427
2029.....	188,542	1,885	190,427
Totals.....	\$ 4,087,505	\$ 643,644	\$ 4,731,149

#### General Obligation Bonds Payable Schedule – Percy Walker Pool Enterprise Fund

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2012	Issued	Redeemed	Outstanding at June 30, 2013
Municipal Purpose Loans of 2010.....	2025	\$ 2,363,000	2.00-5.00	\$ <u>2,030,000</u>	\$ -	\$ <u>(160,000)</u>	\$ <u>1,870,000</u>

Debt service requirements for principal and interest for the Percy Walker pool enterprise fund bonds payable in future fiscal years are as follows:

Fiscal Year	Principal	Interest	Total
2014.....	\$ 160,000	\$ 57,938	\$ 217,938
2015.....	160,000	54,738	214,738
2016.....	155,000	51,538	206,538
2017.....	155,000	48,438	203,438
2018.....	155,000	40,688	195,688
2019.....	155,000	36,038	191,038
2020.....	155,000	29,838	184,838
2021.....	155,000	25,188	180,188
2022.....	155,000	20,538	175,538
2023.....	155,000	15,694	170,694
2024.....	155,000	10,656	165,656
2025.....	<u>155,000</u>	<u>5,421</u>	<u>160,421</u>
Totals.....	\$ <u>1,870,000</u>	\$ <u>396,713</u>	\$ <u>2,266,713</u>

The Town is subject to various debt limits by statute and may issue additional general obligation debt under the normal debt limit. At June 30, 2013, the Town had the following authorized and unissued debt:

Purpose	Amount
School Feasibility Study.....	\$ 1,950,000
School Construction.....	56,806,161
Powder Point Bridge.....	1,900,000
Water Mains.....	<u>525,000</u>
Total.....	\$ <u>61,181,161</u>

Changes in Long-term Liabilities

During the fiscal year ended June 30, 2013, the following changes occurred in long-term liabilities:

Long term liabilities related to both governmental and business-type activities are normally paid from the general fund and enterprise funds, respectively.

	Balance June 30, 2012	Bonds Issued	Bonds Redeemed	Other Increases	Other Decreases	Balance June 30, 2013	Due Within One Year
<b>Governmental Activities:</b>							
Long-Term Bonds Payable.....	\$ 26,853,227	\$ 67,349,000	\$ (1,363,792)	\$ -	\$ -	\$ 92,838,435	\$ 4,301,889
Add: Unamortized Premium.....	-	7,013,483	-	-	-	7,013,483	826,139
Total Long-Term Bonds Payable.....	26,853,227	74,362,483	(1,363,792)	-	-	99,851,918	5,128,028
Other Postemployment Benefits.....	20,578,000	-	-	8,037,000	(2,439,000)	26,176,000	-
Compensated Absences.....	1,353,000	-	-	1,151,000	(1,074,000)	1,430,000	1,117,000
Total governmental activity long-term liabilities.....	\$ 48,784,227	\$ 74,362,483	\$ (1,363,792)	\$ 9,188,000	\$ (3,513,000)	\$ 127,457,918	\$ 6,245,028
<b>Business-Type Activities:</b>							
Long-Term Bonds Payable.....	\$ 6,729,413	\$ -	\$ (771,908)	\$ -	\$ -	\$ 5,957,505	\$ 719,674
Other Postemployment Benefits.....	389,000	-	-	124,000	(1,000)	512,000	-
Compensated Absences.....	43,000	-	-	37,000	(35,000)	45,000	38,000
Total business-type activity long-term liabilities.....	\$ 7,161,413	\$ -	\$ (771,908)	\$ 161,000	\$ (36,000)	\$ 6,514,505	\$ 757,674

**NOTE 8 – GOVERNMENTAL FUND BALANCE CLASSIFICATIONS**

The Town classifies fund balance according to constraints imposed on the uses of those resources.

There are two major types of fund balances, which are nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund. The Town has reported principal portions of endowment funds as nonspendable.

In addition to the nonspendable fund balance, spendable fund balances are classified based on a hierarchy of spending constraints.

- **Restricted:** fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.
- **Committed:** fund balances that contain self-imposed constraints of the government from its highest level of decision making authority.
- **Assigned:** fund balances that contain self-imposed constraints of the government to be used for a particular purpose.
- **Unassigned:** fund balance of the general fund that is not constrained for any particular purpose.

As of June 30, 2013, the governmental fund balances consisted of the following:

	General	Community Preservation Act	Co-located School	Nonmajor Governmental Funds	Total Governmental Funds
<b>FUND BALANCES</b>					
Nonspendable:					
Town services fund.....	\$ -	\$ -	\$ -	2,077,070	\$ 2,077,070
Restricted for:					
Debt service.....	7,013,483	-	-	-	7,013,483
Community Preservation Act.....	-	3,688,671	-	-	3,688,671
Co-located School.....	-	-	40,458,695	-	40,458,695
School lunch.....	-	-	-	140,288	140,288
School gift and grant funds.....	-	-	-	574,439	574,439
School revolving.....	-	-	-	989,048	989,048
Recreation revolving.....	-	-	-	14,417	14,417
Receipts reserved for appropriations.....	-	-	-	120,865	120,865
Town gifts and grants.....	-	-	-	142,465	142,465
Town revolving.....	-	-	-	116,759	116,759
Affordable housing.....	-	-	-	166,677	166,677
Special revenue trust funds.....	-	-	-	124,875	124,875
Miscellaneous small projects.....	-	-	-	41,463	41,463
Public safety buildings.....	-	-	-	210,866	210,866
Crematory.....	-	-	-	39,463	39,463
Town services fund.....	-	-	-	1,015,151	1,015,151
Committed for:					
General government.....	237,856	-	-	-	237,856
Public safety.....	100,866	-	-	-	100,866
Education.....	206,818	-	-	-	206,818
Public works.....	112,260	-	-	-	112,260
Culture and recreation.....	93,229	-	-	-	93,229
Pension reserve.....	942,180	-	-	-	942,180
Unemployment.....	339,346	-	-	-	339,346
Assigned to:					
General government.....	42,595	-	-	-	42,595
Public safety.....	12,102	-	-	-	12,102
Education.....	124,486	-	-	-	124,486
Public works.....	78,280	-	-	-	78,280
Human services.....	11,310	-	-	-	11,310
Culture and recreation.....	19,049	-	-	-	19,049
Free cash used to fund the 2014 budget.....	1,946,550	-	-	-	1,946,550
Unassigned.....	6,504,610	-	-	(498,150)	6,006,460
<b>TOTAL FUND BALANCES.....</b>	<b>\$ 17,785,020</b>	<b>\$ 3,688,671</b>	<b>\$ 40,458,695</b>	<b>\$ 5,275,696</b>	<b>\$ 67,208,082</b>

Massachusetts General Law Ch.40 §5B allows for the establishment of Stabilization funds for one or more different purposes on an as needed basis. The creation of a fund requires a two-thirds vote of the legislative body and must clearly define the purpose of the fund. Any change to the purpose of the fund along with any additions to or appropriations from the fund requires a two-thirds vote of the legislative body. The stabilization fund balance can be used for general and/or capital purposes upon approval of Town Meeting. Additions to and withdrawals from the funds can only be made upon Town Meeting approval. In accordance with Massachusetts General Law the Town has established a general stabilization fund, a pension reserve fund, and an unemployment trust fund.

At year end the balance of the general stabilization fund is \$2,844,090 and is reported as unassigned fund balance within the general fund; the balance of the pension trust stabilization fund is \$942,180 and is reported as committed fund balance within the general fund; the balance of the unemployment trust stabilization fund is

\$339,346 and is reported as committed fund balance within the general fund. The pension trust fund is distinct and separate from the System information in Note 11. The purpose of the fund is to provide a reserve to meet future annual contributions to the Pension System.

**NOTE 9 – COMMUNITY PRESERVATION FUNDS**

In March of 2001, the Town approved the Community Preservation Act (CPA) which allows the Town to impose a surcharge on property taxes and to receive matching state funds for specified uses related to the acquisition, creation, preservation and support of open space, historic resources, land for recreational use and community housing. The CPA requires that the Town spend or set aside for later spending a minimum of 10% of annual revenues for open space, a minimum of 10% of annual revenues for historic resources and a minimum of 10% of annual revenues for community housing.

In accordance with the CPA, the Town has approved a bylaw establishing a Community Preservation Committee (CPC) to study the needs, possibilities and resources of the Town regarding community preservation and to make recommendations for Town Meeting approval to fund eligible projects using CPA funds.

As of June 30, 2013, the CPA fund has a balance of approximately \$3.7 million and is reported as a major fund in the governmental funds financial statements.

**NOTE 10 – RISK FINANCING**

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance. The amount of claim settlements has not exceeded insurance coverage in any of the previous three years.

The Town is self-insured for employee health insurance activities and unemployment benefits. These activities are accounted for in the Town’s Internal Service Fund where revenues are recorded when earned and expenditures recorded when the liability is incurred.

(a) *Employee Health Insurance*

The Town estimates its Incurred But Not Reported (IBNR) claims based on a multiyear analysis of average claims paid. The Town purchases individual stop loss insurance for claims in excess of the coverage provided by the Town in the amount of \$100,000 per claim. At June 30, 2013, the amount of the liability for health insurance claims totaled \$834,708. This liability is the Town’s best estimate based on available information. The Town has elected to record a conservative estimate using the high range of the estimated potential liability. Changes in the reported liability since July 1, 2011, are as follows:

	Balance at Beginning of Fiscal Year	Current Year Claims and Changes in Estimate	Claims Payments	Balance at Fiscal Year-End
Fiscal Year 2012.....	\$ 919,050	\$ 10,017,121	\$ (9,971,069)	\$ 965,102
Fiscal Year 2013.....	965,102	8,815,610	(8,946,004)	834,708

(b) *Workers' Compensation*

Workers' compensation claims are administered by a third party administrator and are funded on a pay-as-you-go basis from annual appropriations. The estimated future workers' compensation liability is based on history and injury type.

At June 30, 2013, the amount of the liability for workers' compensation claims was immaterial and is therefore not reported.

## **NOTE 11 – PENSION PLAN**

*Plan Description* - The Town contributes to the Plymouth County Contributory Retirement System (System), a cost-sharing multiple-employer defined benefit pension plan administered by the Plymouth County Retirement Board. Substantially all employees are members of the System, except for public school teachers and certain administrators who are members of the Massachusetts Teachers Retirement System, to which the Town does not contribute. Pension benefits and administrative expenses paid by the Teachers Retirement Board are the legal responsibility of the Commonwealth. The amount of these on-behalf payments totaled approximately \$6,883,000 for the fiscal year ended June 30, 2013, and, accordingly, are reported in the general fund as intergovernmental revenues and pension expenditures.

The System provides retirement, disability and death benefits to plan members and beneficiaries. Chapter 32 of the MGL assigns authority to establish and amend benefit provisions of the plan. Cost-of-living adjustments granted between 1981 and 1997 and any increase in other benefits imposed by the Commonwealth's state law during those years are borne by the Commonwealth and are deposited into the pension fund. Cost-of-living adjustments granted after 1997 must be approved by the Plymouth County Contributory Retirement Board and are borne by the System. The System issues a publicly available unaudited financial report in accordance with guidelines established by the Commonwealth's PERAC. That report may be obtained by contacting the System located at 10 Cordage Park Circle, Suite 234, North Plymouth, Massachusetts 02360.

*Funding Policy* - Plan members are required to contribute to the System at rates ranging from 5% to 11% of annual covered compensation. The Town is required to pay into the System its share of the system-wide actuarial determined contribution that is apportioned among the employers based on active current payroll. Administrative expenses are funded through investment earnings. Chapter 32 of the MGL governs the contributions of plan members and the Town. The Town's contributions to the System for the fiscal years ended June 30, 2013, 2012, and 2011 were \$2,398,254, \$2,134,651, and \$2,174,974, respectively, which equaled its required contribution for each fiscal year.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and inflation. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information, following the notes to the basic financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Additionally, the schedule of employer contributions, presented as required supplementary information, following the notes to the basic financial statements, presents multiyear trend information for required and actual contributions relating to the cost-sharing plan as a whole, of which the Town is one participating employer, as well as the Town's proportionate share of the plan's annual contributions. This information is designed to be helpful for understanding the scale of the information presented relative to the Town.

**NOTE 12 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

*Plan Description* – The Town of Duxbury administers a single-employer defined benefit healthcare plan (“the Retiree Health Plan”). The plan provides lifetime healthcare and life insurance for eligible retirees and their spouses through the Town’s group health and life insurance plans, which covers both active and retired members. Chapter 32B of the MGL assigns authority to establish and amend benefit provisions of the plan. Benefit provisions are negotiated between the Town and the unions representing Town employees and are renegotiated each bargaining period. The Retiree Health Plan does not issue a publicly available financial report. As of the most recent actuarial valuation, the plan’s membership consisted of the following:

## Plan Membership:

Current retirees, beneficiaries, and dependents...	478
Current active members.....	567
Inactive vested members.....	<u>19</u>
Total.....	<u><u>1,064</u></u>

*Funding Policy* – Contribution requirements are also negotiated between the Town and union representatives. The required contribution is based on a pay-as-you-go financing requirement. The Town contributes 50% of the cost of current-year premiums for eligible retired plan members and their spouses. Plan members receiving benefits contribute the remaining 50% of their premium costs. For fiscal year 2013, the Town contributed approximately \$2.4 million to the plan. Administrative costs of the plan are assumed to be included in plan premiums.

*Annual OPEB Cost and Net OPEB Obligation* – The Town’s annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The components of the Town’s annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Town’s net OPEB obligation are summarized in the following table:

Annual Required Contribution.....	\$ 8,203,000
Interest on net OPEB obligation.....	839,000
Adjustment to annual required contribution.....	<u>(881,000)</u>
Annual OPEB Cost (expense).....	8,161,000
Annual Employer Contributions.....	<u>(2,440,000)</u>
Increase/Decrease in net OPEB obligation.....	5,721,000
Net OPEB obligation - beginning of year.....	<u>20,967,000</u>
Net OPEB obligation - end of year.....	<u><u>\$ 26,688,000</u></u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2013 was as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2013	\$ 8,161,000	30%	\$ 26,688,000
6/30/2012	7,671,000	29%	20,967,000
6/30/2011	6,488,000	32%	15,555,000

*Funded Status and Funding Progress* – The funded status of the Plan as of the most recent actuarial valuation dates is as follows:

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (A)</u>	<u>Actuarial Accrued Liability (AAL) Projected Unit Credit (B)</u>	<u>Unfunded AAL (UAAL) (B-A)</u>	<u>Funded Ratio (A/B)</u>	<u>Covered Payroll (C)</u>	<u>UAAL as a Percentage of Covered Payroll ((B-A)/C)</u>
6/30/2012	\$ -	\$ 87,999,907	\$ 87,999,907	0%	\$ 37,469,000	234.9%
7/1/2009	-	66,675,309	66,675,309	0%	36,043,157	185.0%
7/1/2007	-	86,336,643	86,336,643	0%	33,452,281	258.1%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

*Actuarial Methods and Assumptions* – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2012 actuarial valuation, actuarial liabilities were determined using the projected unit credit cost method. The actuarial assumptions included a 4.00% investment return assumption, which is based on the expected yield on the assets of the Town, calculated based on the funded level of the plan at the valuation date; 3.25% projected salary increases; a 3.25% inflation assumption; and an annual medical/drug cost trend rate of 8.5% initially, graded to 5% over 8 years. The UAAL is being amortized over a closed 30 year period using a level dollar amount with amortization payments increasing at 4.25% per year. The remaining amortization period at June 30, 2012 is 27 years.

**NOTE 13 – COMMITMENTS**

During fiscal year 2012, the Town voted to approve three new capital projects, a new High School/Middle School (co-located school) (\$126.2 million), the rehabilitation of Powder Point Bridge (\$2.4 million), and in the installation of water mains on Pine Street (\$925,000). The construction of the new High School/Middle School is outside of the limitations of Proposition 2½ and the Town has expended approximately \$45 million on the project. Since the approval of the borrowing, the Town has permanently bonded \$64.6 million outside the debt limit and \$6.3 million inside the debt limit. Also during fiscal year 2013, the Town completed construction of the Crematory, Police Station, and Fire Station renovations and subsequently bonded \$12.575 million.

**NOTE 14 – CONTINGENCIES**

The Town participates in a number of federal award programs. Although the grant programs have been audited in accordance with the provisions of the Single Audit Act Amendments of 1996 through June 30, 2013, these programs are still subject to financial and compliance audits. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although it is expected such amounts, if any, to be immaterial.

Various legal actions and claims are pending. Litigation is subject to many uncertainties, and the outcome of individual litigated matters is not always predictable. Although the amount of liability, if any, at June 30, 2013, cannot be ascertained, management believes any resulting liability should not materially affect the financial position at June 30, 2013.

During fiscal year 2013, the Town lost a lawsuit totaling \$839,806 for public bidding violations related to the award of a management contract for the Town's municipal golf course. The Town is appealing the judgment on several legal and factual theories. If it wins the appeal, it will not be liable for any damages, fees, costs or interest. If it loses, it will be liable for the judgment plus appellate attorneys' fees and post-judgment interest. The outcome cannot be predicted.

**NOTE 15 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS**

During fiscal year 2013, the following GASB pronouncements were implemented:

- GASB Statement #60, *Accounting and Financial Reporting for Service Concession Arrangements*. The implementation of this pronouncement did not impact the basic financial statements.
- GASB Statement #61, *The Financial Reporting Entity: Omnibus*. The implementation of this pronouncement did not impact the basic financial statements.
- GASB Statement #63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. Financial statement changes include net assets changing to net position and invested in capital assets, net of related debt changing to net investment in capital assets. Notes to the basic financial statements were changed to provide additional disclosure on deferred outflows of resources and deferred inflows of resources.
- GASB Statement #66, *Technical Corrections – 2012, an amendment of GASB Statements No. 10 and No. 62*. The implementation of this pronouncement did not impact the basic financial statements.

The following GASB pronouncements will be implemented in future fiscal years:

- The GASB issued Statement #65, *Items Previously Reported as Assets and Liabilities*, which is required to be implemented in fiscal year 2014.
- The GASB issued Statement #67, *Financial Reporting for Pension Plans*, an amendment of *GASB Statement No. 25*, which is required to be implemented in fiscal year 2014.
- The GASB issued Statement #68, *Accounting and Financial Reporting for Pensions*, an amendment of *GASB Statement No. 27*, which is required to be implemented in fiscal year 2015.
- The GASB issued Statement #69, *Government Combinations and Disposals of Government Operations*, which is required to be implemented in fiscal year 2015.
- The GASB issued Statement #70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, which is required to be implemented in fiscal year 2014.

Management is currently assessing the impact the implementation of these pronouncements will have on the basic financial statements.

# Required Supplementary Information

# *General Fund*

## *Budgetary Comparison Schedule*

The General Fund is the general operating fund of the Town. It is used to account for all the financial resources, except those required to be accounted for in another fund.

**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**

FISCAL YEAR ENDED JUNE 30, 2013

	Budgeted Amounts					Actual	Amounts Carried Forward To Next Year	Variance to Final Budget
	Amounts Carried forward From Prior Year	Current Year Initial Budget	Original Budget	Final Budget				
<b>REVENUES:</b>								
Real estate and personal property taxes, net of tax refunds.....	\$ -	\$ 45,330,865	\$ 45,330,865	\$ 45,330,865	\$ 44,899,173	\$ -	\$ (431,692)	
Tax and trash liens.....	-	-	-	-	68,924	-	68,924	
Motor vehicle and other excise taxes.....	-	2,030,000	2,030,000	2,030,000	2,264,283	-	234,283	
Sewer charges.....	-	260,000	260,000	260,000	287,269	-	27,269	
Trash disposal.....	-	550,000	550,000	550,000	591,499	-	41,499	
Intergovernmental.....	-	5,522,520	5,522,520	5,522,520	5,610,514	-	87,994	
Departmental and other.....	-	3,950,500	3,950,500	3,950,500	4,489,913	-	539,413	
Investment income.....	-	170,350	170,350	170,350	139,105	-	(31,245)	
<b>TOTAL REVENUES.....</b>	<b>-</b>	<b>57,814,235</b>	<b>57,814,235</b>	<b>57,814,235</b>	<b>58,350,680</b>	<b>-</b>	<b>536,445</b>	
<b>EXPENDITURES:</b>								
Current:								
General government								
Town Meeting								
Expenditures.....	-	3,650	3,650	3,650	2,691	-	959	
Town Moderator								
Salaries.....	-	40	40	40	-	-	40	
Selectmen								
Salaries.....	-	253,986	253,986	351,986	347,400	-	4,586	
Expenditures.....	708	19,200	19,908	19,908	10,625	955	8,328	
Articles.....	15,275	400,000	415,275	425,275	412,477	12,798	-	
Total.....	15,983	673,186	689,169	797,169	770,502	13,753	12,914	
Finance Committee								
Expenditures.....	-	500	500	500	200	-	300	
Information Systems								
Salaries.....	-	62,565	62,565	60,205	60,205	-	-	
Expenditures.....	11,543	188,100	199,643	203,243	173,747	440	29,056	
Articles.....	122,872	269,000	391,872	391,872	198,908	192,964	-	
Total.....	134,415	519,665	654,080	655,320	432,860	193,404	29,056	
Finance Director								
Salaries.....	-	100,045	100,045	102,445	102,445	-	-	
Expenditures.....	-	2,675	2,675	2,675	2,675	-	-	
Total.....	-	102,720	102,720	105,120	105,120	-	-	
Accounting								
Salaries.....	-	210,282	210,282	212,027	209,523	-	2,504	
Expenditures.....	-	8,250	8,250	8,250	6,122	-	2,128	
Total.....	-	218,532	218,532	220,277	215,645	-	4,632	
Audit								
Expenditures.....	-	41,700	41,700	41,700	41,700	-	-	
Assessor								
Salaries.....	-	204,750	204,750	216,910	215,404	-	1,506	
Expenditures.....	-	22,145	22,145	34,747	18,529	13,378	2,840	
Articles.....	2,738	-	2,738	2,738	2,306	432	-	
Total.....	2,738	226,895	229,633	254,395	236,239	13,810	4,346	
Treasurer/Collector								
Salaries.....	-	245,480	245,480	245,480	233,641	-	11,839	
Expenditures.....	2,630	56,200	58,830	58,830	53,892	906	4,032	
Total.....	2,630	301,680	304,310	304,310	287,533	906	15,871	
Legal								
Expenditures.....	21,559	262,000	283,559	404,941	382,639	22,302	-	
Articles.....	-	-	-	1,506	1,506	-	-	
Total.....	21,559	262,000	283,559	406,447	384,145	22,302	-	

(Continued)

**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**

FISCAL YEAR ENDED JUNE 30, 2013

	Budgeted Amounts					Amounts Carried Forward To Next Year	Variance to Final Budget
	Amounts Carried forward From Prior Year	Current Year Initial Budget	Original Budget	Final Budget	Actual		
<b>Human Resources</b>							
Salaries.....	-	90,826	90,826	92,431	92,038	-	393
Expenditures.....	1,390	22,140	23,530	38,660	27,077	1,562	10,021
Articles.....	14,155	88,830	102,985	32,689	500	18,534	13,655
Total.....	15,545	201,796	217,341	163,780	119,615	20,096	24,069
<b>Town Clerk</b>							
Salaries.....	-	126,866	126,866	126,866	121,310	-	5,556
Expenditures.....	-	3,100	3,100	3,100	1,734	-	1,366
Total.....	-	129,966	129,966	129,966	123,044	-	6,922
<b>Election/Registration</b>							
Salaries.....	-	18,824	18,824	41,948	31,960	1,429	8,559
Expenditures.....	2,423	21,000	23,423	23,423	17,648	3	5,772
Total.....	2,423	39,824	42,247	65,371	49,608	1,432	14,331
<b>Conservation</b>							
Salaries.....	-	123,840	123,840	132,300	129,901	-	2,399
Expenditures.....	-	12,115	12,115	12,115	10,217	1,500	398
Articles.....	-	16,750	16,750	16,750	8,484	8,266	-
Total.....	-	152,705	152,705	161,165	148,602	9,766	2,797
<b>Planning Board</b>							
Salaries.....	-	106,749	106,749	108,284	106,191	-	2,093
Expenditures.....	253	10,700	10,953	10,953	7,808	-	3,145
Articles.....	4,862	-	4,862	4,862	-	4,862	-
Total.....	5,115	117,449	122,564	124,099	113,999	4,862	5,238
<b>Tax Title</b>							
Expenditures.....	-	15,000	15,000	15,000	1,025	120	13,855
<b>Historical Commission</b>							
Expenditures.....	-	200	200	200	82	-	118
<b>Total General Government.....</b>	<b>200,408</b>	<b>3,007,508</b>	<b>3,207,916</b>	<b>3,448,509</b>	<b>3,032,610</b>	<b>280,451</b>	<b>135,448</b>
<b>Public safety</b>							
<b>Police</b>							
Salaries.....	-	3,007,530	3,007,530	3,124,215	3,124,215	-	-
Expenditures.....	634	257,800	258,434	258,434	251,215	5,391	1,828
Articles.....	-	35,000	35,000	395,000	294,442	100,000	558
Total.....	634	3,300,330	3,300,964	3,777,649	3,669,872	105,391	2,386
<b>Fire</b>							
Salaries.....	104	2,197,658	2,197,762	2,246,169	2,218,871	-	27,298
Expenditures.....	79	255,622	255,701	313,575	308,524	3,320	1,731
Articles.....	-	347,850	347,850	347,850	346,402	-	1,448
Total.....	183	2,801,130	2,801,313	2,907,594	2,873,797	3,320	30,477
<b>Inspectional Services</b>							
Salaries.....	-	395,986	395,986	395,986	383,297	-	12,689
Expenditures.....	1,283	45,200	46,483	46,483	37,364	3,391	5,728
Total.....	1,283	441,186	442,469	442,469	420,661	3,391	18,417
<b>Harbormaster/Beach Management</b>							
Salaries.....	-	228,705	228,705	231,915	228,880	-	3,035
Expenditures.....	461	23,575	24,036	27,976	26,940	-	1,036
Articles.....	1,774	43,145	44,919	44,919	43,874	866	179
Total.....	2,235	295,425	297,660	304,810	299,694	866	4,250
<b>Total Public Safety.....</b>	<b>4,335</b>	<b>6,838,071</b>	<b>6,842,406</b>	<b>7,432,522</b>	<b>7,264,024</b>	<b>112,968</b>	<b>55,530</b>
<b>Education</b>							
Salaries.....	224,110	29,796,458	30,020,568	30,157,568	30,014,866	124,486	18,216
Articles.....	2,050	350,251	352,301	484,301	277,214	206,818	269
Total.....	226,160	30,146,709	30,372,869	30,641,869	30,292,080	331,304	18,485

(Continued)

**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**

FISCAL YEAR ENDED JUNE 30, 2013

	Budgeted Amounts				Actual	Amounts Carried Forward To Next Year	Variance to Final Budget
	Amounts Carried forward From Prior Year	Current Year Initial Budget	Original Budget	Final Budget			
<b>Public Works</b>							
DPW Management							
Salaries.....	-	256,076	256,076	260,251	241,506	-	18,745
Expenditures.....	-	75,150	75,150	70,285	42,386	9,625	18,274
Articles.....	74,562	241,761	316,323	74,562	4,106	70,456	-
Total.....	74,562	572,987	647,549	405,098	287,998	80,081	37,019
Vehicle Maintenance							
Salaries.....	30	145,351	145,381	145,351	139,666	-	5,685
Expenditures.....	18	120,000	120,018	120,048	83,746	8,557	27,745
Total.....	48	265,351	265,399	265,399	223,412	8,557	33,430
Highway Department							
Salaries.....	-	438,637	438,637	438,637	437,565	620	452
Expenditures.....	3,035	67,000	70,035	70,035	67,181	-	2,854
Total.....	3,035	505,637	508,672	508,672	504,746	620	3,306
Snow & Ice							
Salaries.....	-	60,000	60,000	111,455	111,455	5,872	(5,872)
Expenditures.....	-	110,000	110,000	177,950	177,951	-	(1)
Total.....	-	170,000	170,000	289,405	289,406	5,872	(5,873)
Fuel Depot							
Expenditures.....	-	300,000	300,000	300,000	286,163	-	13,837
Land & Natural Resources							
Salaries.....	128	370,996	371,124	367,090	335,422	179	31,489
Expenditures.....	87	46,000	46,087	232,480	231,357	54	1,069
Articles.....	-	-	-	65,000	58,524	-	6,476
Total.....	215	416,996	417,211	664,570	625,303	233	39,034
Street Lights							
Expenditures.....	-	38,000	38,000	38,000	33,443	2,442	2,115
Transfer Station							
Salaries.....	-	223,086	223,086	213,086	210,089	-	2,997
Expenditures.....	27,886	500,300	528,186	547,588	496,395	32,736	18,457
Articles.....	-	-	-	129,261	129,261	-	-
Total.....	27,886	723,386	751,272	889,935	835,745	32,736	21,454
Sewer Department							
Salaries.....	-	15,422	15,422	15,545	15,545	-	-
Expenditures.....	2,451	182,500	184,951	184,951	139,334	8,521	37,096
Total.....	2,451	197,922	200,373	200,496	154,879	8,521	37,096
Cemetery							
Salaries.....	-	378,331	378,331	374,871	360,070	-	14,801
Expenditures.....	1,950	165,250	167,200	187,200	175,298	1,019	10,883
Articles.....	44,444	-	44,444	75,444	22,385	41,804	11,255
Total.....	46,394	543,581	589,975	637,515	557,753	42,823	36,939
Central Building							
Salaries.....	-	59,322	59,322	59,322	58,243	-	1,079
Expenditures.....	1,600	261,995	263,595	267,595	231,015	8,601	27,979
Articles.....	5,702	-	5,702	30,702	25,000	-	5,702
Total.....	7,302	321,317	328,619	357,619	314,258	8,601	34,760
Animal Control							
Salaries.....	-	58,246	58,246	61,418	61,416	-	2
Expenditures.....	29	8,600	8,629	8,629	7,484	-	1,145
Total.....	29	66,846	66,875	70,047	68,900	-	1,147

(Continued)

**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**

FISCAL YEAR ENDED JUNE 30, 2013

	Budgeted Amounts					Amounts Carried Forward To Next Year	Variance to Final Budget
	Amounts Carried forward From Prior Year	Current Year Initial Budget	Original Budget	Final Budget	Actual		
Tarklin Building							
Expenditures.....	1,171	16,100	17,271	17,271	11,750	54	5,467
Total Public Works.....	163,093	4,138,123	4,301,216	4,644,027	4,193,756	190,540	259,731
Human services							
Council on Aging							
Salaries.....	-	346,252	346,252	346,398	344,275	-	2,123
Expenditures.....	20,349	124,500	144,849	155,671	142,971	10,908	1,792
Articles.....	-	43,408	43,408	43,408	42,474	-	934
Total.....	20,349	514,160	534,509	545,477	529,720	10,908	4,849
Veterans							
Salaries.....	-	24,300	24,300	24,300	23,565	-	735
Expenditures.....	1,111	81,975	83,086	118,086	117,249	402	435
Total.....	1,111	106,275	107,386	142,386	140,814	402	1,170
Plymouth County Cooperative							
Expenditures.....	-	200	200	200	-	-	200
Total Human Services.....	21,460	620,635	642,095	688,063	670,534	11,310	6,219
Culture and Recreation							
Library							
Salaries.....	-	894,117	894,117	900,730	892,713	-	8,017
Expenditures.....	4,422	301,161	305,583	322,583	295,562	19,049	7,972
Articles.....	6,023	64,948	70,971	70,971	48,786	22,185	-
Total.....	10,445	1,260,226	1,270,671	1,294,284	1,237,061	41,234	15,989
Recreation							
Salaries.....	-	144,197	144,197	160,251	159,680	-	571
Expenditures.....	-	3,550	3,550	3,550	3,421	-	129
Articles.....	29,925	-	29,925	29,925	72	29,853	-
Total.....	29,925	147,747	177,672	193,726	163,173	29,853	700
North Hill							
Expenditures.....	398	2,000	2,398	2,398	1,700	-	698
Articles.....	-	54,275	54,275	54,275	13,084	41,191	-
Total.....	398	56,275	56,673	56,673	14,784	41,191	698
Lifeguards							
Salaries.....	-	17,550	17,550	17,550	16,001	-	1,549
Expenditures.....	-	750	750	750	585	-	165
Total.....	-	18,300	18,300	18,300	16,586	-	1,714
Public Celebrations							
Expenditures.....	-	3,500	3,500	3,500	2,610	-	890
Articles.....	-	10,000	10,000	-	-	-	-
Total.....	-	13,500	13,500	3,500	2,610	-	890
Total Culture and Recreation.....	40,768	1,496,048	1,536,816	1,566,483	1,434,214	112,278	19,991
Pension Benefits							
Contributory Retirement.....	-	2,398,254	2,398,254	2,398,254	2,398,254	-	-
Non-Contributory Retirement.....	-	20,000	20,000	20,000	19,946	-	54
Total.....	-	2,418,254	2,418,254	2,418,254	2,418,200	-	54
Property and Liability Insurance.....	-	256,568	256,568	256,568	253,465	-	3,103
Employee Benefits.....	-	7,423,265	7,423,265	7,024,369	6,492,042	-	532,327
Reserve fund.....	-	100,000	100,000	499	-	-	499

(Continued)

**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**

FISCAL YEAR ENDED JUNE 30, 2013

	Budgeted Amounts					Actual	Amounts Carried Forward To Next Year	Variance to Final Budget
	Amounts Carried forward From Prior Year	Current Year Initial Budget	Original Budget	Final Budget				
State and County Charges.....	-	364,787	364,787	364,787	296,362	-	68,425	
Debt Service								
Debt Service Principal.....	-	1,363,792	1,363,792	1,363,792	1,363,792	-	-	
Debt Service Interest.....	-	816,742	816,742	816,742	505,484	-	311,258	
Total.....	-	2,180,534	2,180,534	2,180,534	1,869,276	-	311,258	
<b>TOTAL EXPENDITURES.....</b>	<b>656,224</b>	<b>58,990,502</b>	<b>59,646,726</b>	<b>60,666,484</b>	<b>58,216,563</b>	<b>1,038,851</b>	<b>1,411,070</b>	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(656,224)	(1,176,267)	(1,832,491)	(2,852,249)	134,117	(1,038,851)	1,947,515	
<b>OTHER FINANCING SOURCES (USES):</b>								
Premium from issuance of bonds.....	-	-	-	-	7,013,483	-	7,013,483	
Transfers in.....	-	207,392	207,392	215,892	215,892	-	-	
Transfers out.....	-	(452,513)	(452,513)	(1,492,770)	(1,492,770)	-	-	
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>-</b>	<b>(245,121)</b>	<b>(245,121)</b>	<b>(1,276,878)</b>	<b>5,736,605</b>	<b>-</b>	<b>7,013,483</b>	
NET CHANGE IN FUND BALANCE.....	(656,224)	(1,421,388)	(2,077,612)	(4,129,127)	5,870,722	(1,038,851)	8,960,998	
BUDGETARY FUND BALANCE, Beginning of year....	-	7,407,805	7,407,805	7,407,805	7,407,805	-	-	
BUDGETARY FUND BALANCE, End of year..... \$	(656,224)	\$ 5,986,417	\$ 5,330,193	\$ 3,278,678	\$ 13,278,527	\$ (1,038,851)	\$ 8,960,998	

(Concluded)

See notes to required supplementary information.

# ***Retirement System Schedules of Funding Progress and Employer Contributions***

The Retirement System Schedule of Funding Progress presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

The Retirement System Schedule of Employer Contributions presents multiyear trend information for required and actual contributions relating to the cost-sharing plan as a whole, of which the Town is one participating employer, as well as the Town's proportionate share of the plan's annual contributions.

**PLYMOUTH COUNTY CONTRIBUTORY RETIREMENT SYSTEM  
SCHEDULE OF FUNDING PROGRESS**

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) Entry Age (B)	Unfunded AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/C)
01/01/13	\$ 666,899,774	\$ 1,319,764,989	\$ 652,865,215	50.5%	\$ 238,655,485	273.6%
01/01/11	666,730,812	1,181,508,931	514,778,119	56.4%	228,289,638	225.5%
01/01/10	673,709,456	1,132,847,379	459,137,923	59.5%	227,507,647	201.8%
01/01/09	579,877,224	1,159,210,636	579,333,412	50.0%	264,541,078	219.0%
01/01/08	683,819,938	1,056,020,215	372,200,277	64.8%	252,682,832	147.3%
01/01/07	606,629,089	987,840,418	381,211,329	61.4%	244,574,136	155.9%
01/01/06	558,533,863	918,851,707	360,317,844	60.8%	226,262,731	159.2%
01/01/04	520,104,805	802,158,453	282,053,648	64.8%	208,312,002	135.4%
01/01/02	466,325,660	733,198,204	266,872,544	63.6%	205,039,686	130.2%
01/01/00	450,210,619	611,204,058	160,993,439	73.7%	178,010,731	90.4%

The Town's share of the UAAL, as of June 30, 2013, is approximately 4.54%.

See notes to required supplementary information.

**PLYMOUTH COUNTY CONTRIBUTORY RETIREMENT SYSTEM**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

Fiscal Year Ended June 30	System Wide			Town of Duxbury	
	Annual Required Contributions	(A) Actual Contributions	Percentage Contributed	(B) Actual Contributions	(B/A) Town's Percentage of System Wide Actual Contributions
2013	\$ 52,815,431	\$ 52,815,431	100%	\$ 2,398,254	4.54%
2012	46,850,764	46,850,764	100%	2,134,651	4.56%
2011	48,986,967	48,986,967	100%	2,174,974	4.44%
2010	42,708,712	42,708,712	100%	1,905,038	4.46%
2009	41,286,384	41,286,384	100%	1,843,795	4.47%
2008	38,854,868	38,854,868	100%	1,761,398	4.53%
2007	34,085,524	34,085,524	100%	1,460,631	4.29%
2006	30,795,767	30,795,767	100%	1,308,623	4.25%
2005	25,695,625	25,695,625	100%	1,213,539	4.72%

The Town's Actual Contributions equaled 100% of its Required Contributions for each year presented.

See notes to required supplementary information.

# *Other Postemployment Benefit Plan Schedules*

The Schedule of Funding progress compares, over time, the actuarial accrued liability for benefits with the actuarial value of accumulated plan assets.

The Schedule of Employer Contributions compares, overtime, the annual required contributions to the actual contributions made.

The Schedule of Actuarial Methods and Assumptions presents factors that significantly affect the identification of trends in the amounts reported.

**OTHER POSTEMPLOYMENT BENEFIT PLAN**  
**SCHEDULE OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS**

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**Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) Projected Unit Credit (B)	Unfunded AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/C)
6/30/2012	\$ -	\$ 87,999,907	\$ 87,999,907	0%	\$ 37,469,000	234.9%
7/1/2009	-	66,675,309	66,675,309	0%	36,043,157	185.0%
7/1/2007	-	86,336,643	86,336,643	0%	33,452,281	258.1%

**Schedule of Employer Contributions**

Fiscal Year Ended	Annual Required Contribution	Actual Contributions Made	Percentage Contributed
2013	\$ 8,203,000	\$ 2,440,000	30%
2012	7,683,000	2,259,000	29%
2011	6,467,000	2,068,000	32%
2010	6,059,000	1,916,000	32%
2009	9,688,000	2,720,000	28%

See notes to required supplementary information.

**OTHER POSTEMPLOYMENT BENEFIT PLAN**  
**ACTUARIAL METHODS AND ASSUMPTIONS**

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Actuarial Methods:

Valuation date.....	June 30, 2012
Actuarial cost method.....	Projected Unit Credit
Amortization method.....	Level percentage of payroll over a 30 year period at transition
Remaining amortization period.....	27 years as of June 30, 2012, closed

Actuarial Assumptions:

Investment rate of return.....	4.00% for an unfunded plan
Inflation rate/projected salary increases.....	3.25%
Medical/drug cost trend rate.....	8.5% graded to 5% over 8 years

Plan Membership:

Current retirees, beneficiaries, and dependents...	478
Current active members.....	567
Inactive vested members.....	<u>19</u>
Total.....	<u><u>1,064</u></u>

See notes to required supplementary information.

**NOTE A – BUDGETARY BASIS OF ACCOUNTING****A. Budgetary Information**

Municipal Law requires the Town to adopt a balanced budget that is approved at the annual town meeting. The Town Manager presents an annual budget to the Board of Selectmen, Finance Committee and the Fiscal Advisory Committee, which includes estimates of revenues and other financing sources and recommendations of expenditures and other financing uses. Expenditures are budgeted by categories that are broken down by personal services, expenses, debt service and capital outlay and are mandated by Municipal Law.

Supplementary appropriations are voted at special town meetings.

The majority of appropriations are non-continuing which lapse at the end of each fiscal year. Others are continuing appropriations for which the governing body has authorized that an unspent balance from a prior fiscal year be carried forward and made available for spending in the current fiscal year. These carry forwards are included as part of the subsequent fiscal year's original budget.

Generally, expenditures may not exceed the legal level of spending (salaries, expenses and capital) authorized for an appropriation account. However, the payment of debt service is statutorily required, regardless of whether such amounts are appropriated. Additionally, expenditures for disasters, natural or otherwise, and final judgments may exceed the level of spending authorized.

The Town adopts an annual budget for the General Fund in conformity with the guidelines described above. The original fiscal year 2013 approved budget for the General Fund includes \$59.4 million in current year appropriations and other amounts to be raised and \$656,000 in encumbrances and appropriations carried over from previous fiscal years. During fiscal year 2013, the Town approved various transfers within appropriation lines in the General Fund along with supplemental appropriations totaling \$2.1 million used primarily to fund the Stabilization Trust Fund (\$200,000), the OPEB Trust Fund (\$180,000), the Unemployment Fund (\$180,000), the Powder Point Bridge Rehabilitation Project Fund (\$260,000), a litigation settlement (\$260,000) and various other General Fund line items including \$186,000 for land and natural resources expenditures and \$114,000 for police personal services.

The Accounting office has the responsibility to ensure that budgetary control is maintained on an individual line item appropriation account basis. Budgetary control is exercised through the Town's accounting system.

**B. Budgetary - GAAP Reconciliation**

For budgetary financial reporting purposes, the Uniform Municipal Accounting System basis of accounting (established by the Commonwealth) is followed, which differs from the GAAP basis of accounting. A reconciliation of budgetary-basis to GAAP-basis results for the General Fund for the fiscal year ended June 30, 2013, is presented below:

Net Change in Fund Balance - budgetary basis.....	\$ 5,870,722
<u>Perspective difference:</u>	
Activity of the stabilization funds recorded in the general fund for GAAP.....	837,453
<u>Basis of accounting differences:</u>	
Net change in revenue accrual.....	338,222
Net change in expenditure accrual.....	(160,339)
Recognition of revenue for on-behalf payments.....	6,882,597
Recognition of expenditures for on-behalf payments.....	<u>(6,882,597)</u>
Net Change in Fund Balance - GAAP basis.....	<u>\$ 6,886,058</u>

C. Appropriation Deficits

The Town had expenditures in excess of appropriations for snow & ice. This deficit will be raised in fiscal year 2014.

**NOTE B – OTHER POSTEMPLOYMENT BENEFITS PLAN**

The Town administers a single-employer defined benefit healthcare plan (“the Retiree Health Plan”). The plan provides lifetime healthcare and life insurance for eligible retirees and their spouses through the Town’s health and life insurance plans, which covers both active and retired members, including teachers.

The Town currently finances the majority of its other postemployment benefits (OPEB) on a pay-as-you-go basis. As a result, the funded ratio (actuarial value of assets expressed as a percentage of the actuarial accrued liability) is 0%. In accordance with Governmental Accounting Standards, the Town has recorded its OPEB cost equal to the actuarial determined annual required contribution (ARC) which includes the normal cost of providing benefits for the year and a component for the amortization of the total unfunded actuarial accrued liability of the plan.

The Schedule of Funding Progress presents multiyear trend information which compares, over time, the actuarial accrued liability for benefits with the actuarial value of accumulated plan assets.

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The Schedule of Employer Contributions compares, overtime, the Annual Required Contributions to the Actual Contributions made.

The Schedule of Actuarial Methods and Assumptions presents factors that significantly affect the identification of trends in the amounts reported.

**NOTE C – PENSION PLAN**

The Town contributes to the Plymouth County Contributory Retirement System (the System), a cost-sharing, multiple-employer defined benefit pension plan (“Plan”) administered by the Plymouth County Retirement Association (the Association). The System provides retirement, disability and death benefits to plan members and beneficiaries. Chapter 32 of MGL assigns authority to establish and amend benefit provisions of the Plan. Plan members are required to contribute to the System at rates ranging from 5% to 11% of annual covered compensation. The Town is required to pay into the System its share of the system-wide actuarially determined contribution which is apportioned among the employers based on active current payroll.

The schedule of funding progress, presented as required supplementary information, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Additionally, the schedule of employer contributions, presented as required supplementary information presents multiyear trend information for required and actual contributions relating to the cost-sharing plan as a whole, of which the Town is one participating employer, as well as the Town’s proportionate share of the plan’s annual contributions. This information is designed to be helpful for understanding the scale of the information presented relative to the Town.

The following actuarial methods and assumptions were used in the Retirement System’s most recent actuarial valuation:

Actuarial Methods and Assumptions:

Valuation Date.....	January 1, 2013
Actuarial Cost Method.....	Entry Age Normal Cost Method
Amortization Method.....	Increasing at 4.5% per year, level dollar for ERI liability for certain units.
Remaining Amortization Period.....	21 years remaining as of January 1, 2013, open
Asset Valuation Method.....	Assets held by the fund are valued at market value as reported by the Public Employees’ Retirement Administration Commission (PERAC). The actuarial value of assets is determined using a 5 year smoothing of asset returns greater than or less than the assumed rate of return, with a 20% corridor.

Actuarial Assumptions:

Investment rate of return.....	8.25%
Projected salary increases.....	4.00%
Cost of living adjustments.....	3.0% of the lesser of the pension amount and \$13,000 per year

Plan Membership:

Retired participants and beneficiaries receiving benefits.....	3,228
Inactive participants.....	2,108
Disabled.....	360
Active participants.....	<u>5,729</u>
Total.....	<u><u>11,425</u></u>

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# Other Supplementary Information

# *Combining and Individual Fund Statements*

The combining and individual fund financial statements provide a more detailed view of the “Basic Financial Statements” presented in the preceding subsection.

Combining statements are presented when there are more than one fund of a given fund type.

Individual fund statements offer more descriptive account information.

# *Nonmajor Governmental Funds*

## Fund Description

### **Special Revenue Funds**

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than permanent funds or capital project funds) that are restricted by law or administrative action to expenditures for specific purposes. The Town's grouping for nonmajor special revenue funds is as described as follows:

- **School Lunch** – accounts for the operations of the public school lunch program.
- **School Gifts & Grants** – accounts for educational programs specifically financed by gifts, grants and other restricted revenues.
- **School Revolving** – accounts for self-supporting educational programs and activities.
- **Recreation Revolving** – accounts for self-supporting recreational programs and activities.
- **Receipts Reserved for Appropriation** – accounts for the sale of cemetery lots.
- **Town Gifts & Grants** – accounts for various gifts, grants and legally restricted revenues for special programs administered by Town departments.
- **Town Revolving** – accounts for self-supporting programs and activities.
- **Highway Improvements** – accounts for construction, reconstruction and improvements of roadways, streets and sidewalks.
- **Affordable Housing** – accounts for activity related to the creation and preservation of affordable housing.
- **Special Revenue Trust Funds** – accounts for statutory trust accounts that may be spent to support the government.

### **Capital Projects Funds**

Capital Projects Funds are used to account for financial resources to be used for the acquisition, construction or improvement of major capital assets (other than those financed by enterprise funds). Such resources are derived principally from proceeds of general obligation bonds and grants. The Town's grouping for nonmajor capital project funds is as described as follows:

- **Miscellaneous Small Projects** – accounts for nonmajor capital projects.
- **Powder Point Bridge** – accounts for the renovation of the Powder Point Bridge.
- **Public Safety Buildings** – accounts for the renovations to the fire station.
- **Crematory** – accounts for the construction of the new crematory and various cemetery projects.

### ***Permanent Funds***

Permanent Funds are used to account for financial resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support governmental programs. The Town's grouping for non-major permanent funds is as described as follows:

- ***Town Services Fund*** – accounts for the Town's cemetery and other trust funds that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support governmental programs.

**NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET**

JUNE 30, 2013

	Special Revenue Funds					
	School Lunch	School Gifts & Grants	School Revolving	Recreation Revolving	Receipts Reserved for Appropriations	Town Gifts & Grants
<b>ASSETS</b>						
Cash and cash equivalents.....	\$ 140,335	\$ 595,036	\$ 1,311,980	\$ 86,351	\$ 120,865	\$ 252,328
Investments.....	-	-	-	-	-	-
Receivables, net of uncollectibles:						
Departmental and other.....	-	-	-	-	-	-
Intergovernmental.....	-	39,974	-	-	-	85,531
<b>TOTAL ASSETS.....</b>	<b>\$ 140,335</b>	<b>\$ 635,010</b>	<b>\$ 1,311,980</b>	<b>\$ 86,351</b>	<b>\$ 120,865</b>	<b>\$ 337,859</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES:</b>						
Warrants payable.....	\$ 47	\$ 60,571	\$ 67,423	\$ 8,973	\$ -	\$ 100,673
Accrued payroll.....	-	-	-	7,010	-	14,190
Other liabilities.....	-	-	255,509	55,951	-	-
Deferred revenues.....	-	-	-	-	-	80,531
Due to other funds.....	-	-	-	-	-	-
Notes payable.....	-	-	-	-	-	-
<b>TOTAL LIABILITIES.....</b>	<b>47</b>	<b>60,571</b>	<b>322,932</b>	<b>71,934</b>	<b>-</b>	<b>195,394</b>
<b>FUND BALANCES:</b>						
Nonspendable.....	-	-	-	-	-	-
Restricted.....	140,288	574,439	989,048	14,417	120,865	142,465
Unassigned.....	-	-	-	-	-	-
<b>TOTAL FUND BALANCES (DEFICITS).....</b>	<b>140,288</b>	<b>574,439</b>	<b>989,048</b>	<b>14,417</b>	<b>120,865</b>	<b>142,465</b>
<b>TOTAL LIABILITIES AND FUND BALANCES..</b>	<b>\$ 140,335</b>	<b>\$ 635,010</b>	<b>\$ 1,311,980</b>	<b>\$ 86,351</b>	<b>\$ 120,865</b>	<b>\$ 337,859</b>

Special Revenue Funds					Capital Project Funds		
Town Revolving	Highway Improvements	Affordable Housing	Special Revenue Trust Funds	Subtotal	Miscellaneous Small Projects	Powder Point Bridge	Public Safety Buildings
\$ 81,904	\$ -	\$ 3,965	\$ 72,119	\$ 2,664,883	\$ 41,463	\$ 525,503	\$ 405,222
-	-	162,712	52,756	215,468	-	-	-
46,568	-	-	-	46,568	-	-	-
-	1,108,103	-	-	1,233,608	-	-	-
<u>\$ 128,472</u>	<u>\$ 1,108,103</u>	<u>\$ 166,677</u>	<u>\$ 124,875</u>	<u>\$ 4,160,527</u>	<u>\$ 41,463</u>	<u>\$ 525,503</u>	<u>\$ 405,222</u>
\$ 4,765	\$ 2,866	\$ -	\$ -	\$ 245,318	\$ -	\$ 478,334	\$ 194,356
5,699	-	-	-	26,899	-	-	-
-	-	-	-	311,460	-	-	-
46,568	793,234	-	-	920,333	-	-	-
-	312,003	-	-	312,003	-	-	-
-	-	-	-	-	-	500,000	-
<u>57,032</u>	<u>1,108,103</u>	<u>-</u>	<u>-</u>	<u>1,816,013</u>	<u>-</u>	<u>978,334</u>	<u>194,356</u>
-	-	-	-	-	-	-	-
116,759	-	166,677	124,875	2,389,833	41,463	-	210,866
<u>(45,319)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(45,319)</u>	<u>-</u>	<u>(452,831)</u>	<u>-</u>
<u>71,440</u>	<u>-</u>	<u>166,677</u>	<u>124,875</u>	<u>2,344,514</u>	<u>41,463</u>	<u>(452,831)</u>	<u>210,866</u>
<u>\$ 128,472</u>	<u>\$ 1,108,103</u>	<u>\$ 166,677</u>	<u>\$ 124,875</u>	<u>\$ 4,160,527</u>	<u>\$ 41,463</u>	<u>\$ 525,503</u>	<u>\$ 405,222</u>

(Continued)

**NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET**

JUNE 30, 2013

	Capital Project Funds		Permanent Funds	Total Nonmajor Governmental Funds
	Crematory	Subtotal	Town Services Fund	
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 39,463	\$ 1,011,651	\$ 76,990	\$ 3,753,524
Investments.....	-	-	3,015,629	3,231,097
Receivables, net of uncollectibles:				
Departmental and other.....	-	-	-	46,568
Intergovernmental.....	-	-	-	1,233,608
<b>TOTAL ASSETS.....</b>	<b>\$ 39,463</b>	<b>\$ 1,011,651</b>	<b>\$ 3,092,619</b>	<b>\$ 8,264,797</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
Warrants payable.....	\$ -	\$ 672,690	\$ 398	\$ 918,406
Accrued payroll.....	-	-	-	26,899
Other liabilities.....	-	-	-	311,460
Deferred revenues.....	-	-	-	920,333
Due to other funds.....	-	-	-	312,003
Notes payable.....	-	500,000	-	500,000
<b>TOTAL LIABILITIES.....</b>	<b>-</b>	<b>1,172,690</b>	<b>398</b>	<b>2,989,101</b>
<b>FUND BALANCES:</b>				
Nonspendable.....	-	-	2,077,070	2,077,070
Restricted.....	39,463	291,792	1,015,151	3,696,776
Unassigned.....	-	(452,831)	-	(498,150)
<b>TOTAL FUND BALANCES (DEFICITS).....</b>	<b>39,463</b>	<b>(161,039)</b>	<b>3,092,221</b>	<b>5,275,696</b>
<b>TOTAL LIABILITIES AND FUND BALANCES..</b>	<b>\$ 39,463</b>	<b>\$ 1,011,651</b>	<b>\$ 3,092,619</b>	<b>\$ 8,264,797</b>

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**NONMAJOR GOVERNMENTAL FUNDS**  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FISCAL YEAR ENDED JUNE 30, 2013

	<u>Special Revenue Funds</u>					
	School Lunch	School Gifts & Grants	School Revolving	Recreation Revolving	Receipts Reserved for Appropriations	Town Gifts & Grants
<b>REVENUES:</b>						
Intergovernmental.....	\$ 80,496	\$ 1,505,951	\$ -	\$ -	\$ -	\$ 343,579
Departmental and other.....	592,817	204,077	3,836,899	272,725	11,500	457,301
Contributions.....	-	-	-	-	-	232,479
Investment income.....	-	-	-	-	-	8
<b>TOTAL REVENUES.....</b>	<b>673,313</b>	<b>1,710,028</b>	<b>3,836,899</b>	<b>272,725</b>	<b>11,500</b>	<b>1,033,367</b>
<b>EXPENDITURES:</b>						
Current:						
General government.....	-	-	-	3,084	-	335,796
Public safety.....	-	-	-	-	-	353,553
Education.....	709,816	1,803,266	3,721,373	-	-	-
Public works.....	-	-	-	-	-	136,391
Human services.....	-	-	-	-	-	149,150
Culture and recreation.....	-	-	-	268,133	-	61,139
Pension benefits - Town.....	-	-	-	-	-	4,565
<b>TOTAL EXPENDITURES.....</b>	<b>709,816</b>	<b>1,803,266</b>	<b>3,721,373</b>	<b>271,217</b>	<b>-</b>	<b>1,040,594</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>(36,503)</b>	<b>(93,238)</b>	<b>115,526</b>	<b>1,508</b>	<b>11,500</b>	<b>(7,227)</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Issuance of long-term bonds.....	-	-	-	-	-	-
Transfers in.....	-	-	-	-	-	-
Transfers out.....	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>(36,503)</b>	<b>(93,238)</b>	<b>115,526</b>	<b>1,508</b>	<b>11,500</b>	<b>(7,227)</b>
<b>FUND BALANCES (DEFICITS) AT BEGINNING OF YEAR..</b>	<b>176,791</b>	<b>667,677</b>	<b>873,522</b>	<b>12,909</b>	<b>109,365</b>	<b>149,692</b>
<b>FUND BALANCES (DEFICITS) AT END OF YEAR.....</b>	<b>\$ 140,288</b>	<b>\$ 574,439</b>	<b>\$ 989,048</b>	<b>\$ 14,417</b>	<b>\$ 120,865</b>	<b>\$ 142,465</b>

Special Revenue Funds					Capital Project Funds		
Town Revolving	Highway Improvements	Affordable Housing	Special Revenue Trust Funds	Sub-total	Miscellaneous Small Projects	Powder Point Bridge	Public Safety Buildings
\$ -	\$ 435,552	\$ -	\$ -	\$ 2,365,578	\$ -	\$ -	\$ -
735,795	-	-	-	6,111,114	-	-	-
-	-	-	25,055	257,534	-	-	-
-	-	12,787	4,044	16,839	-	-	-
<u>735,795</u>	<u>435,552</u>	<u>12,787</u>	<u>29,099</u>	<u>8,751,065</u>	<u>-</u>	<u>-</u>	<u>-</u>
54,388	-	-	4,457	397,725	-	-	-
378,752	-	-	-	732,305	-	-	5,307,202
-	-	-	-	6,234,455	-	-	-
20,684	435,552	-	-	592,627	-	702,831	-
109,241	-	-	-	258,391	-	-	-
-	-	-	33,548	362,820	-	-	-
-	-	-	-	4,565	-	-	-
<u>563,065</u>	<u>435,552</u>	<u>-</u>	<u>38,005</u>	<u>8,582,888</u>	<u>-</u>	<u>702,831</u>	<u>5,307,202</u>
<u>172,730</u>	<u>-</u>	<u>12,787</u>	<u>(8,906)</u>	<u>168,177</u>	<u>-</u>	<u>(702,831)</u>	<u>(5,307,202)</u>
-	-	-	-	-	-	-	1,427,000
-	-	-	-	-	-	250,000	142,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	250,000	1,569,000
172,730	-	12,787	(8,906)	168,177	-	(452,831)	(3,738,202)
<u>(101,290)</u>	<u>-</u>	<u>153,890</u>	<u>133,781</u>	<u>2,176,337</u>	<u>41,463</u>	<u>-</u>	<u>3,949,068</u>
<u>\$ 71,440</u>	<u>\$ -</u>	<u>\$ 166,677</u>	<u>\$ 124,875</u>	<u>\$ 2,344,514</u>	<u>\$ 41,463</u>	<u>\$ (452,831)</u>	<u>\$ 210,866</u>

(Continued)

**NONMAJOR GOVERNMENTAL FUNDS**  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FISCAL YEAR ENDED JUNE 30, 2013

	<u>Capital Project Funds</u>		<u>Permanent Funds</u>	Total
	<u>Crematory</u>	<u>Sub-total</u>	<u>Town Services Fund</u>	<u>Nonmajor Governmental Funds</u>
<b>REVENUES:</b>				
Intergovernmental.....	\$ -	\$ -	\$ -	\$ 2,365,578
Departmental and other.....	-	-	-	6,111,114
Contributions.....	-	-	44,721	302,255
Investment income.....	-	-	235,630	252,469
<b>TOTAL REVENUES.....</b>	<b>-</b>	<b>-</b>	<b>280,351</b>	<b>9,031,416</b>
<b>EXPENDITURES:</b>				
Current:				
General government.....	-	-	5,504	403,229
Public safety.....	-	5,307,202	-	6,039,507
Education.....	-	-	-	6,234,455
Public works.....	185,329	888,160	-	1,480,787
Human services.....	-	-	-	258,391
Culture and recreation.....	-	-	-	362,820
Pension benefits - Town.....	-	-	-	4,565
<b>TOTAL EXPENDITURES.....</b>	<b>185,329</b>	<b>6,195,362</b>	<b>5,504</b>	<b>14,783,754</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>(185,329)</b>	<b>(6,195,362)</b>	<b>274,847</b>	<b>(5,752,338)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Issuance of long-term bonds.....	-	1,427,000	-	1,427,000
Transfers in.....	-	392,000	-	392,000
Transfers out.....	(8,500)	(8,500)	-	(8,500)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>(8,500)</b>	<b>1,810,500</b>	<b>-</b>	<b>1,810,500</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>(193,829)</b>	<b>(4,384,862)</b>	<b>274,847</b>	<b>(3,941,838)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>233,292</b>	<b>4,223,823</b>	<b>2,817,374</b>	<b>9,217,534</b>
<b>FUND BALANCES (DEFICITS) AT END OF YEAR.....</b>	<b>\$ 39,463</b>	<b>\$ (161,039)</b>	<b>\$ 3,092,221</b>	<b>\$ 5,275,696</b>

(Concluded)

# *Agency Fund*

## Fund Description

Agency Fund is used to account for assets held in a purely custodial capacity. The Town's Agency Fund activity consists primarily of performance bonds, security deposits, and licenses and fees collected on-behalf of the state.

**AGENCY FUND**  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

FISCAL YEAR ENDED JUNE 30, 2013

	<u>July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2013</u>
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 198,522	\$ 106,812	\$ (114,096)	\$ 191,238
<b>LIABILITIES</b>				
Warrants payable.....	\$ 1,923	\$ 611	\$ (1,923)	\$ 611
Accrued liabilities.....	-	365	-	365
Liabilities due depositors.....	196,599	105,836	(112,173)	190,262
TOTAL LIABILITIES.....	\$ 198,522	\$ 106,812	\$ (114,096)	\$ 191,238

# Statistical Section

Statistical tables differ from financial statements since they usually cover more than one fiscal year and may present nonaccounting data. The following tables reflect social and economic data, financial trends, and fiscal capacity.



Photo by Barbara L. Van Dingstee

# Statistical Section

This part of the Town of Duxbury's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

## ***Financial Trends***

- These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.

## ***Revenue Capacity***

- These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax.

## ***Debt Capacity***

- These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.

## ***Demographic and Economic Information***

- These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.

## ***Operating Information***

- These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

SOURCES: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**Net Position By Component**

**Last Ten Fiscal Years**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Governmental activities</b>										
Net investment in capital assets.....	\$ 65,929,104	\$ 64,789,656	\$ 68,589,041	\$ 70,497,727	\$ 70,846,707	\$ 73,890,487	\$ 75,622,789	\$ 76,170,781	\$ 81,520,404	\$ 92,575,525
Restricted.....	3,316,195	3,448,411	2,924,351	2,616,217	2,817,488	2,630,344	2,967,897	3,556,664	3,634,743	3,809,125
Unrestricted.....	10,678,994	12,724,812	12,989,854	13,825,901	15,660,425	12,286,665	10,146,293	8,172,334	1,690,298	3,581,453
<b>Total governmental activities net position.....</b>	<b>\$ 79,924,293</b>	<b>\$ 80,962,879</b>	<b>\$ 84,503,246</b>	<b>\$ 86,939,845</b>	<b>\$ 89,324,620</b>	<b>\$ 88,807,496</b>	<b>\$ 88,736,979</b>	<b>\$ 87,899,779</b>	<b>\$ 86,845,445</b>	<b>\$ 99,966,103</b>
<b>Business-type activities</b>										
Net investment in capital assets.....	\$ 7,565,168	\$ 9,075,575	\$ 9,315,263	\$ 8,918,436	\$ 9,439,228	\$ 9,523,752	\$ 9,535,029	\$ 10,300,382	\$ 10,672,429	\$ 10,972,261
Unrestricted.....	2,805,970	1,919,272	2,437,302	3,170,204	2,754,332	2,493,137	3,010,096	2,769,929	2,741,409	2,705,180
<b>Total business-type activities net position.....</b>	<b>\$ 10,371,138</b>	<b>\$ 10,994,847</b>	<b>\$ 11,752,565</b>	<b>\$ 12,088,640</b>	<b>\$ 12,193,560</b>	<b>\$ 12,016,889</b>	<b>\$ 12,545,125</b>	<b>\$ 13,070,311</b>	<b>\$ 13,413,838</b>	<b>\$ 13,677,441</b>
<b>Primary government</b>										
Net investment in capital assets.....	\$ 73,494,272	\$ 73,865,231	\$ 77,904,304	\$ 79,416,163	\$ 80,285,935	\$ 83,414,239	\$ 85,157,818	\$ 86,471,163	\$ 92,192,833	\$ 103,547,786
Restricted.....	3,316,195	3,448,411	2,924,351	2,616,217	2,817,488	2,630,344	2,967,897	3,556,664	3,634,743	3,809,125
Unrestricted.....	13,484,964	14,644,084	15,427,156	16,996,105	18,414,757	14,779,802	13,156,389	10,942,263	4,431,707	6,286,633
<b>Total primary government net position.....</b>	<b>\$ 90,295,431</b>	<b>\$ 91,957,726</b>	<b>\$ 96,255,811</b>	<b>\$ 99,028,485</b>	<b>\$ 101,518,180</b>	<b>\$ 100,824,385</b>	<b>\$ 101,282,104</b>	<b>\$ 100,970,090</b>	<b>\$ 100,259,283</b>	<b>\$ 113,643,544</b>

**Changes in Net Position**

**Last Ten Fiscal Years**

Fiscal Year

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Expenses</b>										
Governmental activities:										
General government.....	\$ 3,023,855	\$ 2,982,415	\$ 3,328,181	\$ 3,606,616	\$ 3,686,678	\$ 3,942,177	\$ 3,974,258	\$ 4,293,359	\$ 5,128,146	\$ 5,085,169
Public safety.....	7,208,099	7,111,573	7,918,377	8,450,057	8,522,903	9,850,181	9,710,965	10,039,369	10,964,082	11,307,480
Education.....	35,450,143	39,529,289	40,478,391	43,337,224	44,398,693	50,478,418	50,300,591	52,156,368	53,522,811	56,017,363
Public works.....	3,417,632	4,600,868	5,073,683	5,480,877	5,194,930	5,911,232	5,258,010	5,453,666	5,724,373	6,068,943
Human services.....	516,163	533,679	605,610	694,237	710,722	857,340	891,585	945,904	1,054,046	1,220,090
Culture and recreation.....	2,272,190	2,296,766	2,333,285	2,258,491	2,742,203	2,923,774	2,731,672	2,692,071	2,642,103	2,752,739
Community Preservation.....	238,645	161,988	72,667	239,207	200,192	147,179	189,761	349,793	376,498	255,580
Interest.....	1,299,940	1,510,468	1,015,461	1,157,136	784,810	637,234	592,335	477,255	489,622	2,351,280
<b>Total government activities expenses.....</b>	<b>53,426,667</b>	<b>58,727,046</b>	<b>60,825,655</b>	<b>65,223,845</b>	<b>66,241,131</b>	<b>74,747,535</b>	<b>73,649,177</b>	<b>76,407,785</b>	<b>79,901,681</b>	<b>85,058,644</b>
Business-type activities:										
Water.....	1,469,322	2,021,809	1,787,554	2,162,105	2,487,440	2,323,558	2,197,814	2,350,547	2,628,618	2,753,314
Percy Walker Pool.....	-	-	-	-	-	-	33,774	380,020	459,274	503,243
<b>Total business-type activities expenses.....</b>	<b>1,469,322</b>	<b>2,021,809</b>	<b>1,787,554</b>	<b>2,162,105</b>	<b>2,487,440</b>	<b>2,323,558</b>	<b>2,231,588</b>	<b>2,730,567</b>	<b>3,087,892</b>	<b>3,256,557</b>
<b>Total primary government expenses.....</b>	<b>\$ 54,895,989</b>	<b>\$ 60,748,855</b>	<b>\$ 62,613,209</b>	<b>\$ 67,385,950</b>	<b>\$ 68,728,571</b>	<b>\$ 77,071,093</b>	<b>\$ 75,880,765</b>	<b>\$ 79,138,352</b>	<b>\$ 82,989,573</b>	<b>\$ 88,315,201</b>
<b>Program Revenues</b>										
Governmental activities:										
Education charges for services.....	\$ 3,457,435	\$ 5,446,732	\$ 4,602,485	\$ 6,132,491	\$ 6,232,869	\$ 6,441,625	\$ 6,099,245	\$ 6,046,720	\$ 5,942,281	\$ 6,548,587
Public works charges for services.....	1,450,480	1,530,883	1,635,482	2,024,082	1,698,068	2,920,314	1,755,578	1,818,978	1,801,734	1,928,235
Culture and recreation charges for services.....	1,814,874	1,878,790	1,960,026	2,032,198	2,141,441	2,106,940	2,174,635	2,082,263	2,306,106	2,143,397
Other charges for services.....	1,630,819	1,720,665	1,974,422	2,510,745	2,223,067	2,939,352	2,557,845	2,527,548	3,414,885	3,170,531
Operating grants and contributions.....	7,893,943	7,850,107	10,421,134	10,414,641	10,749,772	12,761,352	13,460,616	14,269,178	13,958,828	13,969,717
Capital grant and contributions.....	5,998,907	2,088,395	2,923,241	1,191,310	1,250,418	1,286,073	799,351	1,128,082	2,371,488	19,383,562
<b>Total government activities program revenues.....</b>	<b>22,246,458</b>	<b>20,515,572</b>	<b>23,516,790</b>	<b>24,305,467</b>	<b>24,295,635</b>	<b>28,455,656</b>	<b>26,847,270</b>	<b>27,872,769</b>	<b>29,795,322</b>	<b>47,144,029</b>
Business-type activities:										
Charges for services - water.....	2,054,405	2,895,518	2,795,272	2,783,180	2,901,469	2,460,603	2,990,133	3,101,148	3,008,160	3,009,145
Charges for services - Percy Walker Pool.....	-	-	-	-	-	-	46,497	304,513	313,563	372,637
<b>Total business-type activities program revenues.....</b>	<b>2,054,405</b>	<b>2,895,518</b>	<b>2,795,272</b>	<b>2,783,180</b>	<b>2,901,469</b>	<b>2,460,603</b>	<b>3,036,630</b>	<b>3,405,661</b>	<b>3,321,723</b>	<b>3,381,782</b>
<b>Total primary government program revenues.....</b>	<b>\$ 24,300,863</b>	<b>\$ 23,411,090</b>	<b>\$ 26,312,062</b>	<b>\$ 27,088,647</b>	<b>\$ 27,197,104</b>	<b>\$ 30,916,259</b>	<b>\$ 29,883,900</b>	<b>\$ 31,278,430</b>	<b>\$ 33,117,045</b>	<b>\$ 50,525,811</b>
<b>Net (Expense)/Revenue</b>										
Governmental activities.....	\$ (31,180,209)	\$ (38,211,474)	\$ (37,308,865)	\$ (40,918,378)	\$ (41,945,496)	\$ (46,291,879)	\$ (46,801,907)	\$ (48,535,016)	\$ (50,106,359)	\$ (37,914,615)
Business-type activities.....	585,083	873,709	1,007,718	621,075	414,029	137,045	805,042	675,094	233,831	125,225
<b>Total primary government net expense.....</b>	<b>\$ (30,595,126)</b>	<b>\$ (37,337,765)</b>	<b>\$ (36,301,147)</b>	<b>\$ (40,297,303)</b>	<b>\$ (41,531,467)</b>	<b>\$ (46,154,834)</b>	<b>\$ (45,996,866)</b>	<b>\$ (47,859,922)</b>	<b>\$ (49,872,528)</b>	<b>\$ (37,789,390)</b>
<b>General Revenues and other Changes in Net Position</b>										
Governmental activities:										
Real estate and personal property taxes, net of tax refunds payable.....	\$ 33,164,957	\$ 33,250,856	\$ 35,101,777	\$ 36,999,317	\$ 38,483,995	\$ 40,555,656	\$ 40,995,795	\$ 41,964,019	\$ 43,943,583	\$ 45,330,505
Tax liens.....	154,882	88,824	168,191	134,662	126,079	48,105	220,392	133,744	20,397	74,317
Motor vehicle and other excise taxes.....	2,377,327	2,427,919	2,388,823	2,308,774	2,262,861	2,117,119	2,114,070	2,236,742	2,227,654	2,433,608
Community preservation taxes.....	925,304	964,373	1,011,323	1,077,315	1,110,178	1,171,545	1,187,673	1,204,247	1,285,151	1,322,525
Penalties and interest on taxes.....	169,501	130,612	146,205	138,442	108,421	155,068	177,297	157,119	239,386	208,925
Payments in lieu of taxes.....	6,369	11,417	3,913	7,917	28,750	12,804	9,321	4,250	10,950	12,956
Grants and contributions not restricted to specific programs.....	33,508	872,488	991,109	1,275,273	1,385,213	1,145,359	872,532	994,936	904,812	982,014
Unrestricted investment income.....	118,867	444,772	682,910	904,835	484,751	255,383	877,505	852,850	529,788	808,801
Miscellaneous.....	480,428	808,799	104,981	223,442	30,914	-	-	-	-	-
Transfers.....	170,000	250,000	250,000	285,000	309,109	313,716	276,806	149,908	(109,696)	(138,378)
<b>Total governmental activities.....</b>	<b>37,601,143</b>	<b>39,250,060</b>	<b>40,849,232</b>	<b>43,354,977</b>	<b>44,330,271</b>	<b>45,774,755</b>	<b>46,731,391</b>	<b>47,697,815</b>	<b>49,052,025</b>	<b>51,035,273</b>
Business-type activities:										
Transfers.....	(170,000)	(250,000)	(250,000)	(285,000)	(309,109)	(313,716)	(276,806)	(149,908)	109,696	138,378
<b>Total primary government</b>	<b>\$ 37,431,143</b>	<b>\$ 39,000,060</b>	<b>\$ 40,599,232</b>	<b>\$ 43,069,977</b>	<b>\$ 44,021,162</b>	<b>\$ 45,461,039</b>	<b>\$ 46,454,585</b>	<b>\$ 47,547,907</b>	<b>\$ 49,161,721</b>	<b>\$ 51,173,651</b>
<b>Changes in Net Position</b>										
Governmental activities.....	\$ 6,420,934	\$ 1,038,586	\$ 3,540,367	\$ 2,436,599	\$ 2,384,775	\$ (517,124)	\$ (70,516)	\$ (837,201)	\$ (1,054,334)	\$ 13,120,658
Business-type activities.....	415,083	623,709	757,718	336,075	104,920	(176,671)	528,236	525,186	343,527	263,603
<b>Total primary government.....</b>	<b>\$ 6,836,017</b>	<b>\$ 1,662,295</b>	<b>\$ 4,298,085</b>	<b>\$ 2,772,674</b>	<b>\$ 2,489,695</b>	<b>\$ (693,795)</b>	<b>\$ 457,720</b>	<b>\$ (312,015)</b>	<b>\$ (710,807)</b>	<b>\$ 13,384,261</b>

**Fund Balances, Governmental Funds**

**Last Ten Fiscal Years**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>General Fund</b>										
Reserved.....	\$ 1,116,553	\$ 878,160	\$ 668,372	\$ 774,504	\$ 474,343	\$ 823,067	\$ 771,541	\$ -	\$ -	\$ -
Restricted.....	-	-	-	-	-	-	-	-	-	7,013,483
Committed.....	-	-	-	-	-	-	-	1,000,645	1,332,306	2,032,555
Assigned.....	-	-	-	-	-	-	-	2,054,451	1,698,230	2,234,372
Unassigned.....	-	-	-	-	-	-	-	6,606,737	7,868,426	6,504,610
<b>Total general fund.....</b>	<b>\$ 4,947,552</b>	<b>\$ 5,346,018</b>	<b>\$ 5,746,268</b>	<b>\$ 5,850,804</b>	<b>\$ 4,915,763</b>	<b>\$ 5,554,362</b>	<b>\$ 6,653,698</b>	<b>\$ 9,661,833</b>	<b>\$ 10,898,962</b>	<b>\$ 17,785,020</b>
<b>All Other Governmental Funds</b>										
Reserved.....	\$ 1,631,623	\$ 1,666,623	\$ 1,666,623	\$ 1,686,435	\$ 1,788,474	\$ 1,871,270	\$ 1,926,345	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds.....	5,563,192	4,351,573	4,795,975	4,187,509	6,704,198	5,252,915	7,438,997	-	-	-
Capital projects funds.....	(41,614,779)	(42,477,004)	74,050	(143,230)	103,266	(82,588)	102,903	-	-	-
Permanent funds.....	256,055	298,611	422,294	633,668	406,604	263,675	430,125	-	-	-
Nonspendable.....	-	-	-	-	-	-	-	1,971,395	2,034,870	2,077,070
Restricted.....	-	-	-	-	-	-	-	7,132,302	11,664,137	47,844,142
Unassigned.....	-	-	-	-	-	-	-	(961,306)	(255,726)	(498,150)
<b>Total all other governmental funds.....</b>	<b>\$ (34,163,909)</b>	<b>\$ (36,160,197)</b>	<b>\$ 6,958,942</b>	<b>\$ 6,364,382</b>	<b>\$ 9,002,542</b>	<b>\$ 7,305,272</b>	<b>\$ 9,898,370</b>	<b>\$ 8,142,391</b>	<b>\$ 13,443,281</b>	<b>\$ 49,423,062</b>

The Town implemented GASB 54 in fiscal year 2011, fund balances prior to fiscal year 2011 have been reported in the pre-GASB 54 format.

**Changes in Fund Balances, Governmental Funds**

**Last Ten Fiscal Years**

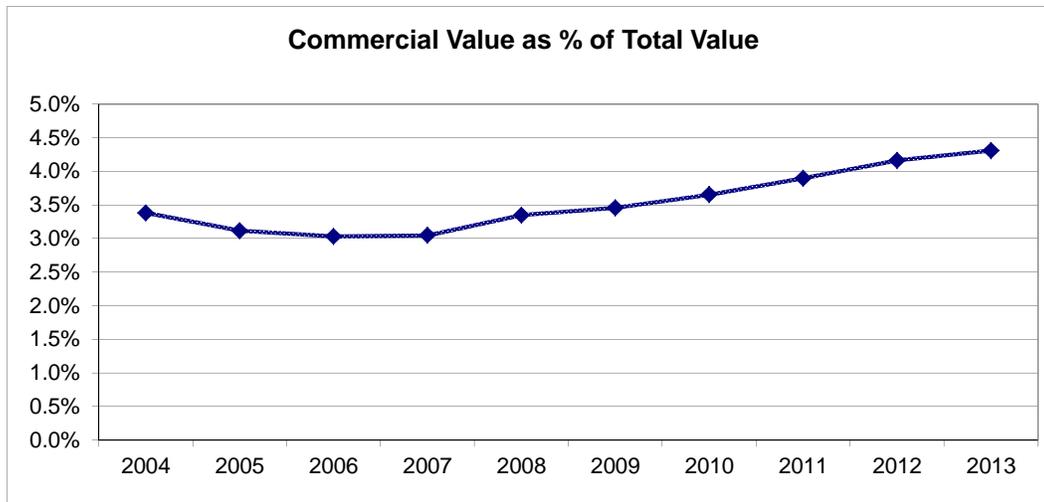
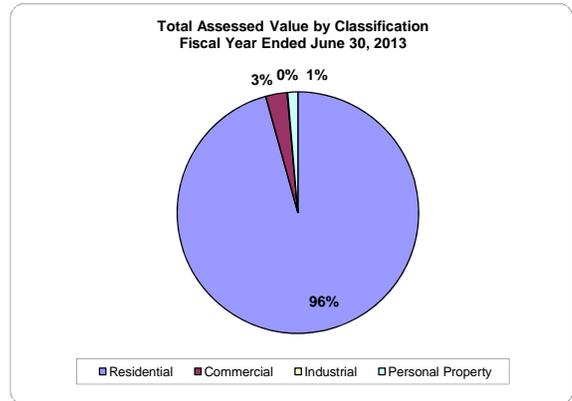
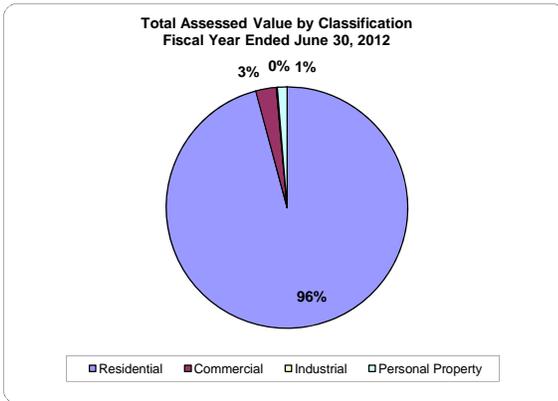
Fiscal Year

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Revenues:</b>										
Real estate and personal property taxes, net of tax refunds.....	\$ 32,372,355	\$ 33,264,076	\$ 35,160,519	\$ 36,977,095	\$ 38,456,971	\$ 40,270,024	\$ 40,844,508	\$ 41,658,119	\$ 43,933,438	\$ 45,288,464
Tax and trash liens.....	189,612	123,322	197,592	151,902	101,964	123,783	216,803	84,186	91,948	69,547
Motor vehicle and other excise taxes.....	2,263,043	2,551,451	2,431,468	2,303,816	2,281,039	2,135,478	2,099,164	2,107,443	2,304,289	2,264,283
Sewer charges.....	285,785	335,133	278,132	305,628	320,752	365,785	295,819	319,396	304,243	287,269
Trash disposal.....	500,169	502,110	491,862	542,227	315,661	544,505	568,964	633,692	604,833	591,499
Intergovernmental.....	9,847,182	9,402,279	40,668,323	13,043,745	14,015,696	14,682,388	15,069,862	15,405,675	17,004,600	32,930,015
Departmental and other.....	5,530,992	7,765,978	6,557,484	7,508,046	8,779,635	9,621,256	9,198,751	9,016,882	10,107,279	10,601,027
Community preservation taxes.....	938,570	964,373	1,011,323	1,077,315	1,110,178	1,171,545	1,187,673	1,204,247	1,285,151	1,322,525
Contributions.....	121,006	89,395	107,072	104,533	84,246	537,054	275,223	341,316	348,240	302,255
Investment income.....	(94,259)	527,828	776,444	1,161,588	327,076	255,659	812,935	753,198	464,529	728,342
<b>Total Revenues.....</b>	<b>51,954,455</b>	<b>55,525,945</b>	<b>87,680,219</b>	<b>63,175,895</b>	<b>65,793,218</b>	<b>69,707,477</b>	<b>70,569,702</b>	<b>71,524,154</b>	<b>76,448,550</b>	<b>94,385,226</b>
<b>Expenditures:</b>										
General government.....	2,035,932	2,130,676	2,043,729	2,364,317	2,498,132	2,394,190	2,652,335	2,923,274	3,236,553	3,668,986
Public safety.....	4,897,076	5,058,061	5,416,025	5,602,814	5,790,187	6,210,899	6,308,590	6,139,513	7,110,163	7,272,844
Education.....	27,335,609	27,657,108	28,301,899	29,804,161	30,667,459	31,933,772	32,759,722	33,097,960	33,962,562	36,483,547
Public works.....	3,539,164	3,742,100	3,364,200	3,770,837	3,462,378	3,919,387	3,443,754	3,671,585	3,731,811	3,884,382
Human services.....	407,892	416,302	488,701	547,525	551,566	642,844	652,303	694,772	765,164	928,925
Culture and recreation.....	1,571,731	1,626,560	1,532,698	1,397,860	1,886,953	1,853,985	1,746,958	1,277,439	1,639,688	1,796,905
Community preservation.....	238,645	2,296,065	72,667	234,074	192,695	99,858	100,102	635,483	718,536	163,408
Pension benefits - Town.....	1,201,990	1,243,039	1,335,123	1,490,088	1,790,855	1,879,350	1,937,647	2,199,485	2,159,162	2,422,765
Pension benefits - School.....	2,861,000	3,193,000	3,528,000	4,266,000	4,970,000	5,556,000	5,916,000	6,521,227	6,666,279	6,882,597
Property and liability insurance.....	233,699	276,747	289,216	249,654	265,802	274,266	223,935	239,620	186,966	253,465
Employee benefits.....	6,209,929	6,097,345	6,687,718	7,216,358	7,209,088	7,597,692	6,799,445	6,785,582	6,806,418	6,692,042
Other.....	17,956	-	-	-	-	-	-	-	-	-
State and county charges.....	328,705	327,869	283,710	244,562	251,548	259,473	251,333	273,473	327,762	296,362
Capital outlay.....	5,871,672	857,979	4,033,641	3,960,064	1,499,905	4,908,558	3,121,296	3,917,109	16,632,384	53,127,988
Debt service:										
Principal.....	1,323,432	1,366,138	1,161,862	2,554,906	2,746,985	2,584,860	1,761,774	1,543,513	1,482,726	1,363,792
Interest.....	921,698	1,084,778	995,249	930,217	787,513	673,298	590,079	520,706	502,267	505,484
<b>Total Expenditures.....</b>	<b>58,996,130</b>	<b>57,373,767</b>	<b>59,534,438</b>	<b>64,633,437</b>	<b>64,571,066</b>	<b>70,788,432</b>	<b>68,265,273</b>	<b>70,440,741</b>	<b>85,928,441</b>	<b>125,743,492</b>
Excess (deficiency) of revenues over (under) expenditures.....	(7,041,675)	(1,847,822)	28,145,781	(1,457,542)	1,222,152	(1,080,955)	2,304,429	1,083,413	(9,479,891)	(31,358,266)
<b>Other Financing Sources (Uses):</b>										
Issuance of bonds and notes.....	625,000	-	15,052,000	674,000	125,000	-	787,000	-	16,098,000	67,349,000
Issuance of refunding bonds.....	-	-	-	-	1,300,000	-	-	-	-	-
Premium from issuance of bonds and notes.....	-	-	71,608	8,518	17,918	-	32,767	18,834	29,606	7,013,483
Premium from issuance of refunding bonds.....	-	-	-	-	23,014	-	-	-	-	-
Payments to refunded bond escrow agent.....	-	-	-	-	(1,294,074)	-	-	-	-	-
Transfers in.....	1,131,445	1,237,914	960,181	1,205,179	1,241,414	1,306,323	1,418,382	765,242	404,377	527,892
Transfers out.....	(961,445)	(987,914)	(710,181)	(920,179)	(932,305)	(992,607)	(1,141,576)	(615,334)	(514,073)	(666,270)
<b>Total other financing sources (uses).....</b>	<b>795,000</b>	<b>250,000</b>	<b>15,373,608</b>	<b>967,518</b>	<b>480,967</b>	<b>313,716</b>	<b>1,096,573</b>	<b>168,742</b>	<b>16,017,910</b>	<b>74,224,105</b>
<b>Net change in fund balance.....</b>	<b>\$ (6,246,675)</b>	<b>\$ (1,597,822)</b>	<b>\$ 43,519,389</b>	<b>\$ (490,024)</b>	<b>\$ 1,703,119</b>	<b>\$ (767,239)</b>	<b>\$ 3,401,002</b>	<b>\$ 1,252,155</b>	<b>\$ 6,538,019</b>	<b>\$ 42,865,839</b>
Debt service as a percentage of noncapital expenditures.....	4.23%	4.34%	3.89%	5.74%	5.60%	4.95%	3.61%	3.10%	2.86%	2.57%

**Assessed Value and Actual Value of Taxable Property by Classification and Tax Rates**

**Last Ten Fiscal Years**

Fiscal Year	Assessed and Actual Values and Tax Rates								
	Residential Value	Residential & Personal Property Tax Rate	Commercial Value	Industrial Value	Personal Property	Total Commercial Value	Commercial Tax Rate	Total Direct Rate (2)	Total Town Value
2004	\$2,778,019,842	\$11.33	\$73,961,358	\$2,195,500	\$21,033,140	\$97,189,998	\$11.33	\$11.33	\$2,875,209,840
2005	\$3,194,763,079	\$10.14	\$78,663,121	\$2,003,400	\$22,077,720	\$102,744,241	\$10.14	\$10.14	\$3,297,507,320
2006 (1)	\$3,484,297,092	\$9.84	\$83,823,108	\$2,042,500	\$23,009,700	\$108,875,308	\$9.84	\$9.84	\$3,593,172,400
2007	\$3,556,472,301	\$10.14	\$84,874,799	\$2,095,500	\$24,798,370	\$111,768,669	\$10.14	\$10.14	\$3,668,240,970
2008	\$3,529,253,752	\$10.61	\$91,783,748	\$2,155,600	\$28,288,280	\$122,227,628	\$10.61	\$10.61	\$3,651,481,380
2009 (1)	\$3,605,653,048	\$10.91	\$92,736,552	\$2,174,600	\$34,180,600	\$129,091,752	\$10.91	\$10.91	\$3,734,744,800
2010	\$3,374,398,059	\$11.81	\$89,418,341	\$2,233,500	\$36,242,040	\$127,893,881	\$11.81	\$11.81	\$3,502,291,940
2011	\$3,222,272,471	\$12.60	\$87,896,029	\$2,319,500	\$40,395,200	\$130,610,729	\$12.60	\$12.60	\$3,352,883,200
2012 (1)	\$3,067,422,072	\$13.79	\$88,685,699	\$2,844,400	\$41,683,140	\$133,213,239	\$13.79	\$13.79	\$3,200,635,311
2013	\$3,076,141,600	\$14.19	\$92,204,500	\$2,735,800	\$43,585,780	\$138,526,080	\$14.19	\$14.19	\$3,214,667,680



(1) Revaluation year.

(2) Weighted average direct tax rate, calculated as weighted average of residential, commercial and personal property tax rates.

Source: Assessor's Department, Town of Duxbury

All property in the Commonwealth of Massachusetts is assessed at 100% of fair cash value.

Note: Chapter 59, Section 21C of the Massachusetts General Laws, known as "Proposition 2 1/2", imposes 2 separate limits on the annual tax levy of the Town. The primary limitation is that the tax levy cannot exceed 2 1/2 percent of the full and fair cash value. The secondary limitation is that the tax levy cannot exceed the maximum levy limit for the preceding fiscal year as determined by the State Commissioner of Revenue by more than 2 1/2 percent, subject to an exception for property added to the tax rolls and for certain substantial valuation increases other than as part of a general revaluation. The secondary limit may be exceeded in any year by a majority vote of the voters, however it cannot exceed the primary limitation.

**Principal Taxpayers**

**Current Year and Nine Years Ago**

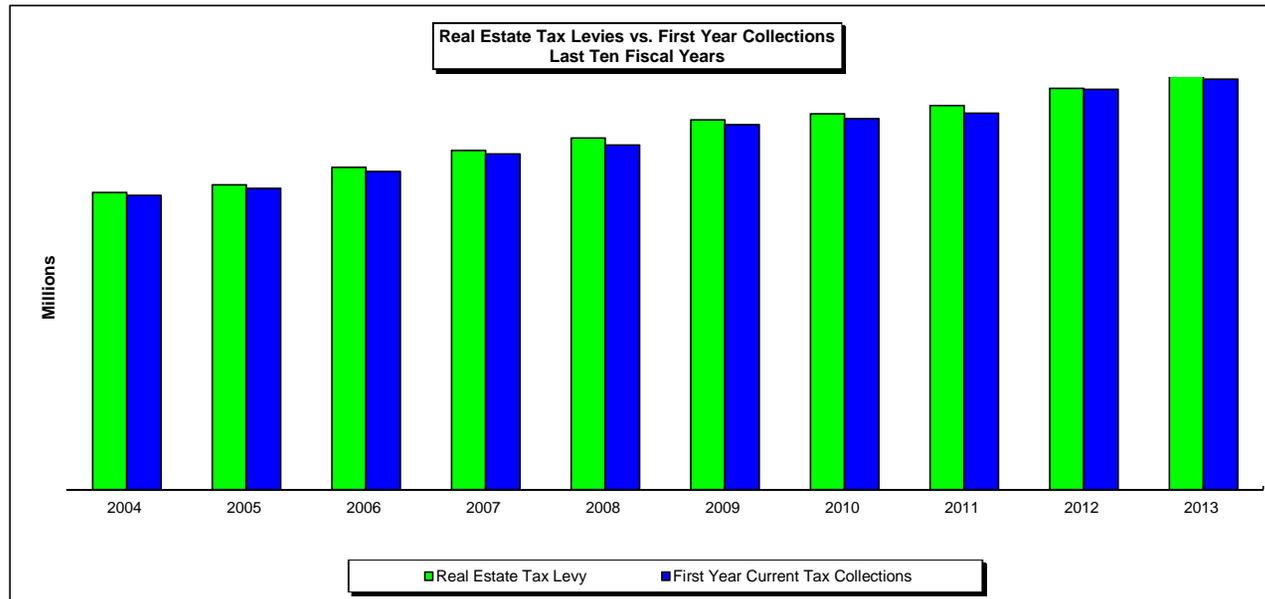
Name	Nature of Business	2013			2004		
		Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
The Village at Duxbury - Assisted Living	Retirement Community	\$28,438,100	1	0.88%	\$26,950,000	1	1.05%
Nstar Service	Utility	\$16,261,820	2	0.51%	\$6,993,000	3	0.27%
The Village at Duxbury - 30 Apartments	Retirement Community	\$11,365,900	3	0.35%	-	-	-
Verizon New England	Utility	\$11,234,200	4	0.35%	-	-	-
Individual	Residence	\$8,546,300	5	0.27%	\$6,812,500	4	0.26%
Standish LLC	Medical Office Building	\$7,330,600	6	0.23%	\$3,874,300	7	0.15%
Bay State Gas	Public Utility	\$7,058,510	7	0.22%	-	-	-
Island Creek Village East	Subsidized Housing	\$6,828,900	8	0.21%	\$5,577,000	5	0.22%
Thomas Walsh	Nursing Home	\$6,127,800	9	0.19%	\$7,701,400	2	0.30%
Individual	Residence	\$4,730,000	10	0.15%	\$3,311,200	10	0.13%
Individual	Residence	-	-	-	\$5,562,000	6	0.22%
Trapelo Realty, Inc.	Real Estate	-	-	-	\$3,810,100	8	0.15%
Kellywood Nominee Trust	Real Estate	-	-	-	\$3,601,600	9	0.14%
	Totals	<u>\$107,922,130</u>		<u>3.36%</u>	<u>\$74,193,100</u>		<u>2.89%</u>

Source: Assessor's Department

**Property Tax Levies and Collections**

**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>(2) Total Tax Levy</b>	<b>Less Reserve for Abatements &amp; Exemptions</b>	<b>(2) Net Tax Levy</b>	<b>Net as % of Total</b>	<b>First Year Current Tax Collections</b>	<b>Percent of Net Levy Collected</b>	<b>Delinquent Tax Collections</b>	<b>Total Tax Collections</b>	<b>Percent of Total Tax Collections to Net Tax Levy (3)</b>
2004	\$32,576,128	\$74,104	\$32,502,024	99.77%	\$32,184,832	99.02%	\$317,192	\$32,502,024	100.00%
2005	\$33,436,724	\$113,945	\$33,322,779	99.66%	\$32,956,365	98.90%	\$416,659	\$33,373,024	100.15%
2006 (1)	\$35,356,818	\$94,249	\$35,262,569	99.73%	\$34,780,185	98.63%	\$481,586	\$35,261,771	100.00%
2007	\$37,195,963	\$102,370	\$37,093,593	99.72%	\$36,703,997	98.95%	\$336,317	\$37,040,314	99.86%
2008	\$38,742,217	\$278,653	\$38,463,564	99.28%	\$37,686,962	97.98%	\$537,732	\$38,224,694	99.38%
2009 (1)	\$40,746,066	\$298,044	\$40,448,022	99.27%	\$39,912,037	98.67%	\$446,809	\$40,358,846	99.78%
2010	\$41,362,073	\$252,238	\$41,109,835	99.39%	\$40,569,284	98.69%	\$532,412	\$41,101,696	99.98%
2011	\$42,246,328	\$248,028	\$41,998,300	99.41%	\$41,174,757	98.04%	\$765,813	\$41,940,570	99.86%
2012 (1)	\$44,136,761	\$268,633	\$43,868,128	99.39%	\$43,785,222	99.81%	\$551,104	\$44,336,326	101.07%
2013	\$45,616,134	\$285,269	\$45,330,865	99.37%	\$44,899,174	99.05%	\$0	\$44,899,174	99.05%



(1) Revaluation year.

(2) Includes tax liens.

(3) If the actual abatements and exemptions are lower than the estimate, the actual collections can exceed the net levy.

Source: Official Statements, Town of Duxbury.

**Ratios of Outstanding Debt and General Bonded Debt**

**Last Ten Fiscal Years**

Fiscal Year	U. S. Census Population	Personal Income	Assessed Value	Governmental Activities Debt				
				General Obligation Bonds	Capital Leases	Per Capita	Percentage of Personal Income	Percentage of Assessed Value
2004	15,127	\$578,303,697	\$2,875,209,840	\$8,454,997	\$0	\$559	1.46%	0.29%
2005	15,210	\$612,080,820	\$3,297,507,320	\$7,893,853	\$0	\$519	1.29%	0.24%
2006	15,241	\$643,993,214	\$3,593,172,400	\$21,783,991	\$0	\$1,429	3.38%	0.61%
2007	15,294	\$676,117,152	\$3,668,240,970	\$19,903,085	\$0	\$1,301	2.94%	0.54%
2008	15,360	\$712,986,624	\$3,651,481,380	\$17,341,100	\$0	\$1,129	2.43%	0.47%
2009	15,372	\$726,034,932	\$3,734,744,800	\$14,756,240	\$0	\$960	2.03%	0.40%
2010	15,059	\$707,697,705	\$3,502,291,940	\$13,781,466	\$0	\$915	1.95%	0.39%
2011	15,274	\$715,052,310	\$3,352,883,200	\$12,237,953	\$0	\$801	1.71%	0.36%
2012	15,290	\$742,054,280	\$3,200,635,311	\$26,853,227	\$0	\$1,756	3.62%	0.84%
2013	15,582	\$767,553,738	\$3,214,667,680	\$99,851,918	\$0	\$6,408	13.01%	3.11%

Fiscal Year	Business-type Activities		Total Primary Government			
	General Obligation Bonds	Capital Leases	Total Debt Outstanding	Per Capita	Percentage of Personal Income	Percentage of Assessed Value
2004	\$5,249,991	\$0	\$13,704,988	\$906	2.37%	0.48%
2005	\$3,755,000	\$0	\$11,648,853	\$766	1.90%	0.35%
2006	\$3,570,000	\$0	\$25,353,991	\$1,664	3.94%	0.71%
2007	\$3,496,000	\$0	\$23,399,085	\$1,530	3.46%	0.64%
2008	\$4,559,000	\$0	\$21,900,100	\$1,426	3.07%	0.60%
2009	\$6,944,000	\$0	\$21,700,240	\$1,412	2.99%	0.58%
2010	\$8,523,149	\$0	\$22,304,615	\$1,481	3.15%	0.64%
2011	\$7,623,610	\$0	\$19,861,563	\$1,300	2.78%	0.59%
2012	\$6,729,413	\$0	\$33,582,640	\$2,196	4.53%	1.05%
2013	\$5,957,505	\$0	\$105,809,423	\$6,790	13.79%	3.29%

Source: Audited Financial Statements, U. S. Census

**Direct and Overlapping Governmental Activities Debt**

**As of June 30, 2013**

<u>Overlapping Entities</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable</u>	<u>Share of Overlapping Debt</u>
Debt repaid with property taxes			
Plymouth County.....	\$ 3,025,000	5.17%	\$ <u>156,393</u>
Subtotal, overlapping debt.....			156,393
Town direct debt.....			<u>99,851,918</u>
Total direct and overlapping debt.....			\$ <u><u>100,008,311</u></u>

Source: Official Statements

Note: The Town obtains the debt outstanding and percentages directly from Plymouth County.

Note: Overlapping governments are those that coincide, at least in part, with geographic boundaries of the Town. This schedule calculates the portion of the outstanding debt of those overlapping governments that is borne by the taxpayers of Town. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

**Computation of Legal Debt Margin**

**Last Ten Fiscal Years**

**(Amounts in Thousands)**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Equalized Valuation.....	\$ <u>2,564,487</u>	\$ <u>3,133,658</u>	\$ <u>3,133,658</u>	\$ <u>3,837,216</u>	\$ <u>3,837,216</u>	\$ <u>4,026,593</u>	\$ <u>4,026,593</u>	\$ <u>3,853,684</u>	\$ <u>3,853,684</u>	\$ <u>3,466,188</u>
Debt Limit -5% of Equalized Valuation.....	\$ 128,224	\$ 156,683	\$ 156,683	\$ 191,861	\$ 191,861	\$ 201,330	\$ 201,330	\$ 192,684	\$ 192,684	\$ 173,309
Less:										
Outstanding debt applicable to limit.....	7,925	6,756	19,385	17,889	15,612	13,287	14,936	13,315	11,758	29,227
Authorized and unissued debt applicable to limit.....	<u>7,840</u>	<u>11,861</u>	<u>5,286</u>	<u>4,695</u>	<u>3,579</u>	<u>13</u>	<u>-</u>	<u>-</u>	<u>3,325</u>	<u>1,900</u>
Legal debt margin.....	\$ <u>112,459</u>	\$ <u>138,066</u>	\$ <u>132,012</u>	\$ <u>169,277</u>	\$ <u>172,670</u>	\$ <u>188,030</u>	\$ <u>186,394</u>	\$ <u>179,369</u>	\$ <u>177,601</u>	\$ <u>142,182</u>
Total debt applicable to the limit as a percentage of debt limit.....	12.29%	11.88%	15.75%	11.77%	10.00%	6.61%	7.42%	6.91%	7.83%	17.96%

Source: Assessor's Office

## Demographic and Economic Statistics

### Last Ten Fiscal Years

Fiscal Year	Population Estimates	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2004	15,127	\$ 578,303,697	\$ 38,230	40.3	3,231	3.9%
2005	15,210	\$ 612,080,820	\$ 40,242	40.3	3,282	3.2%
2006	15,241	\$ 643,993,214	\$ 42,254	40.3	3,405	3.8%
2007	15,294	\$ 676,117,152	\$ 44,208	40.3	3,402	3.5%
2008	15,360	\$ 712,986,624	\$ 46,418	41.0	3,324	3.8%
2009	15,372	\$ 726,034,932	\$ 47,231	41.0	3,341	3.8%
2010	15,059	\$ 707,697,705	\$ 46,995	40.0	3,291	4.0%
2011	15,274	\$ 715,052,310	\$ 46,815	40.0	3,219	5.7%
2012	15,290	\$ 742,054,280	\$ 48,532	42.2	3,184	4.9%
2013	15,582	\$ 767,553,738	\$ 49,259	43.0	3,181	5.2%

Source: U. S. Census, Division of Local Services  
 Median age is based on most recent census data

**Principal Employers (excluding Town)**

**Current Year and Nine Years Ago**

Employer	Nature of Business	2013			2004		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Bay Path Nursing Home	Nursing Home	178	1	2.52%	180	1	2.25%
The Village at Duxbury	Retirement Condos	160	2	2.27%	100	3	1.25%
Batelle Labs	Science and Technology Research	68	3	0.96%	80	4	1.00%
Duxbury Yacht Club	Yacht Club, Golf Course, Tennis	65	4	0.92%	45	5	0.56%
Foodies	Grocery Store	60	5	0.85%	-	-	-
Plymouth Bay Orthopedic Associates	Physician Services	55	6	0.78%	-	-	-
South Shore Conservatory	Music and Art Institution	50	7	0.71%	-	-	-
U.S. Post Office	Mail	26	8	0.37%	33	7	0.41%
Millbrook Motors	Automotive	24	9	0.34%	16	9	0.20%
Various Utilities	Utilities	-	-	-	130	2	1.63%
A&P Food Store	Grocery Store	-	-	-	35	6	0.44%
Verc Enterprises	Convenience Stores, Gasoline Sales	-	-	-	30	8	0.38%
Goodrich Lumber	Building Supplies	-	-	-	11	10	0.14%
Totals		<u>686</u>		<u>9.73%</u>	<u>660</u>		<u>8.27%</u>

For fiscal year 2013 only information on the 9 largest employers is available.

Source: Massachusetts Department of Employment and Training and Official Statements

**Full-time Equivalent Town Employees by Function**

**Last Ten Fiscal Years**

Fiscal Year

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Function										
General government.....	22	22	28	25	30	30	29	29	29	30
Public safety.....	67	67	62	68	73	72	68	69	68	70
Education.....	286	297	305	320	391	411	398	382	392	392
Public works.....	42	43	46	37	44	42	44	46	46	45
Human services.....	3	3	3	4	4	4	4	5	5	5
Culture and recreation.....	19	19	21	15	23	21	24	25	20	20
Total .....	<u>439</u>	<u>451</u>	<u>465</u>	<u>469</u>	<u>565</u>	<u>580</u>	<u>567</u>	<u>556</u>	<u>560</u>	<u>562</u>

Source: Various Town Departments

**Operating Indicators by Function/Program**

**Last Ten Fiscal Years**

Function/Program	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Fire Department</b>										
Fire related calls.....	645	794	881	719	810	805	606	817	1,035	1,131
Rescue/EMS.....	1,163	1,138	1,113	1,159	1,199	1,247	1,328	1,281	1,245	1,323
<b>Inspectional Services Department</b>										
Number of building permits (quick and zoning).....	631	507	668	697	762	626	522	491	794	573
Number of electrical permits.....	553	360	510	516	483	343	362	368	429	477
Number of plumbing/gas permits.....	635	436	668	685	658	529	531	543	618	739
<b>Water/Sewer</b>										
Number of gallons pumped (millions).....	487,600	550,523	583,674	504,641	543,000	492,250	410,896	500,002	499,754	469,000
Number of new services added.....	40	20	16	22	15	13	15	8	11	6
Number of additional mains installed.....	4	1	1	-	10,810	-	-	-	-	1
Number of main improvements.....	4	2	-	-	2	1	-	2	1	2
<b>Highway</b>										
Number of miles completed-road rehab.....	n/a	n/a	7	4	3	3	4	2	2	3
Number of snow operations.....	28	n/a	35	24	35	54	39	31	2	30
<b>Cemetery</b>										
Cremations.....	2,500	2,632	2,940	2,885	3,240	3,624	3,014	3,008	3,184	3,248
<b>Recreation</b>										
Number of programs offered.....	48	52	52	52	52	52	60	56	65	68
Number of participants-winter.....	587	n/a	491	511	585	578	588	555	504	522
Number of participants-spring.....	358	260	253	250	349	342	320	272	397	325
Number of participants-summer.....	781	789	802	1,033	737	788	822	762	955	798
Number of participants-fall.....	444	550	573	600	638	642	658	558	507	439
<b>Parking Sticker Sales</b>										
Non resident over sand.....	2,834	2,507	2,561	2,789	3,075	2,948	3,512	3,653	3,771	3,281
Over sand.....	2,850	3,131	2,763	2,859	2,935	3,331	3,051	3,127	3,203	2,730
Parking lot.....	3,396	3,380	3,569	3,554	3,569	3,895	3,511	3,423	3,276	2,799
Transfer station.....	6,192	6,046	6,371	6,306	6,178	6,376	6,122	5,822	5,617	5,088
<b>Senior Center</b>										
Number of visitors.....	17,776	19,600	23,776	27,954	24,585	34,200	31,940	32,500	27,902	28,000
Number of activities.....	663	697	2,208	2,208	1,788	2,234	2,364	2,256	2,308	2,602
Number of congregate meals.....	7,657	5,493	4,169	5,430	4,986	4,693	5,356	4,867	5,367	5,384
Number of delivered meals.....	3,756	6,904	7,213	6,756	7,064	7,005	4,218	5,301	4,025	4,515
Number of paying rentals.....	64	84	108	166	357	172	135	322	376	118
Number of committee meetings.....	128	164	293	387	382	325	340	59	43	180
<b>Duxbury Free Library</b>										
Holdings.....	114,928	116,131	119,524	124,035	121,685	121,609	116,948	115,006	117,461	109,437
Reference questions answered.....	10,854	9,935	9,957	9,406	6,857	7,887	8,537	8,159	7,829	6,862
Print materials loaned.....	169,868	153,802	153,603	157,537	167,153	167,206	174,542	168,838	202,980	157,088
Videos loaned.....	54,176	49,047	49,239	48,407	75,445	93,416	82,615	48,883	47,071	44,584
All loans.....	257,439	235,680	237,464	237,562	242,598	260,622	257,457	247,909	250,059	236,207
Loans provided to other towns.....	22,816	19,123	31,390	33,764	35,212	37,978	39,594	39,282	41,306	38,109
Materials borrowed from other towns.....	20,648	21,869	22,330	25,678	27,610	31,847	32,107	30,564	29,639	25,625
Children's programs held.....	262	218	235	241	246	248	234	259	238	228
Children's program attendance.....	6,015	6,229	6,372	6,144	7,056	6,871	6,646	6,413	6,316	5,558
Adult & Teen programs held.....	138	119	180	243	214	236	241	228	241	332
Adult & Teen program attendance.....	2,525	3,065	3,740	3,948	4,849	3,218	3,690	3,901	4,234	4,618
Public computers.....	28	30	30	26	16	17	30	30	30	30
Public meeting room use.....	709	640	805	1,076	888	979	998	975	941	842

Source: Various Town Departments

N/A - Information not available

## Capital Asset Statistics by Function/Program

### Last Ten Fiscal Years

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Government										
Number of buildings.....	5	5	5	5	5	5	5	5	5	5
Police										
Number of stations.....	1	1	1	1	1	1	1	1	1	2
Animal control facilities.....	1	1	1	1	1	1	1	1	1	1
Fire										
Number of stations.....	2	2	2	2	2	2	2	2	2	2
Antique apparatus storage.....	1	1	1	1	1	1	1	1	1	1
Harbormaster										
Number of buildings.....	2	2	2	2	2	2	2	2	2	2
Public beaches.....	3	3	3	3	3	3	3	3	3	3
Public landings.....	16	16	16	16	16	16	16	16	16	16
Education										
Number of elementary schools.....	2	2	2	2	2	2	2	2	2	2
Number of middle schools.....	1	1	1	1	1	1	1	1	1	1
Number of high schools.....	1	1	1	1	1	1	1	1	1	1
Performing arts center.....	1	1	1	1	1	1	1	1	1	1
Public Works										
Water pumping stations.....	13	13	13	13	13	13	13	13	13	13
Water towers.....	2	2	2	2	2	2	2	3	3	3
Water other.....	3	3	3	3	3	3	3	3	3	3
Sewage treatment plant.....	1	1	1	1	1	1	1	1	1	1
Shared septic systems.....	2	2	2	2	2	2	2	2	2	2
Public works buildings.....	11	11	11	11	11	11	11	11	11	11
Crematories.....	1	1	1	1	1	1	1	1	1	1
Cemetery buildings.....	3	3	3	3	3	3	3	3	3	3
Human Services										
Council on aging - senior center.....	1	1	1	1	1	1	1	1	1	1
Culture and Recreation										
Recreation land (acreage).....	108.2	118.5	118.5	179.5	179.5	179.5	179.5	182.5	187.5	190.5
Playgrounds*.....	3	3	3	3	3	3	3	3	3	3
Ball fields*.....	24	29	29	29	29	29	29	29	29	29
Basketball courts.....	2	3	3	3	3	3	3	3	3	3
Tennis courts.....	13	14	14	14	14	14	14	14	14	14
Pools.....	1	1	1	1	1	1	1	1	1	1
Golf courses.....	1	1	1	1	1	1	1	1	1	1
Golf clubhouses.....	1	1	1	1	1	1	1	1	1	1
Golf course buildings.....	4	4	4	4	4	4	4	3	3	3
Libraries.....	1	1	1	1	1	1	1	1	1	1

Source: Various Town Departments

\* The Town has significantly improved fields/recreational facilities during the last ten years. Most of the fields have new irrigation systems.



Photo by Janice Hanrahan